
File ID: 2025-01222

6/24/2025

Cooperative Agreement: Purchase of Parts and Continuation of the Inventory Program through NAPA Integrated Business Solutions for Facilities Maintenance [Published for 10-Day Review 06/12/2025]

File ID: 2025-01222

Location: Citywide

Recommendation: Pass a **Motion:** 1) authorizing use of the Sourcewell Cooperative Purchase Agreement Number 090624-GPC with Genuine Parts Company dba NAPA Integrated Business Solutions, Inventory Management Services for the Facility Maintenance Supply Parts and Inventory Program to satisfy the competitive selection requirements; 2) awarding a five-year contract to Genuine Parts Company dba NAPA Integrated Business Solutions for the Facility Maintenance Supply Parts and Inventory Program in an amount not to exceed \$10,500,000; and 3) authorizing the Interim City Manager or designee to execute the contract specified above provided sufficient funds are available in the budget adopted for the applicable fiscal year.

Contact: Norm Colby, Facilities & Real Property Superintendent, ncolby@cityofsacramento.org, (916) 808-8335; Matt Winkler, Program Specialist, mwinkler@cityofsacramento.org, (916) 808-5579; James Christensen, Facilities Manager, jechristensen@cityofsacramento.org; (916) 808-5863; Department of Public Works

Presenter: None

Attachments:

1-Description/Analysis

2-Contract-Genuine Parts Company dba NAPA Integrated Business Solutions

Description/Analysis

Issue Detail: The Facilities and Real Property Management Division (Facilities) currently utilizes the Integrated Business Solutions (IBS) program provided by the Genuine Parts Company dba NAPA Integrated Business Solutions (NAPA) to purchase parts for maintenance and repair of City facilities. This is the tenth successful year Facilities has used this program. The City entered into a contract with NAPA on June 25, 2015, for \$3,500,000 for a five-year term. The maximum of \$3,500,000 was expended within the first three years, so the contract not-to-exceed amount was increased to \$5,717,000 through two contract supplements. On June 30, 2020, the City Council approved a new

contract for an additional five-year term for a not to exceed amount of \$7,000,000. Facilities has executed one supplemental agreement to increase the not-to-exceed amount to \$7,540,000 for purchases through end of the current fiscal year.

The services and supplies that NAPA currently provides has improved the turnaround time for procurement of parts and supplies and productivity for the Division. The existing contract with NAPA expires on June 30, 2025. City staff desires to continue purchasing maintenance parts from NAPA for another five years given the prior success of the program.

Accordingly, staff is proposing a new contract with NAPA that will continue the IBS program for an additional five years. The contract will continue to provide a simplified and streamlined parts procurement process, with controlled management of the inventory, and detailed information for parts and supplies purchased to maintain City facilities. Facilities will continue to expand and enhance the inventory program over the term of the agreement to better safeguard the City's inventory assets. NAPA will support a fully secured on-site Parts Store with inventory for the Facility Maintenance staff. NAPA will staff the Parts Store, implement security measures, utilize an inventory control system, centralize and consolidate parts, and provide faster and more accurate fulfillment of parts and supplies.

The NAPA program will ensure that all facilities parts and supplies will be recorded against work orders, thereby documenting each item purchased, its cost, and the facility where it was used. All inventory stored at the on-site Parts Store will be owned by NAPA until purchased for use by the City. If the City chooses at any point to terminate the contract or if the contract expires, the City will be responsible for purchasing all new and usable non-NAPA branded stock stored at the Parts Store up to a specified maximum dollar amount that the City and NAPA will later agree upon.

The comprehensive parts and inventory program with NAPA is advantageous to the City for several reasons, including:

- 1) Expanding operational efficiencies. As the Parts Store grows to include additional inventory, City Facilities staff headquartered in the south area corporation yard will be able to obtain the majority of the parts and supplies needed from the onsite NAPA Parts Store eliminating the need for City staff to drive to multiple vendors for parts and supplies, thereby saving time and money.
- 2) NAPA will be able to negotiate better pricing with vendors through bulk purchasing, reducing parts and supplies cost.
- 3) Transferring the financial risk of inventory management and control from the City to NAPA. All inventory stored at the on-site Parts Store will be owned by NAPA until purchased for use by the City. The Division will be responsible for only a small inventory

of commonly used parts and supplies that are typically used very quickly.

- 4) Providing improved reporting and asset management by recording in the work order management system all parts and supplies used.
- 5) Streamlining the procurement and accounts payable processes by eliminating the need for a multitude of “blanket” purchase orders, significantly reducing the number of invoices processed.

The IBS program has benefited the City. Without it, Facilities would require additional staff to uphold customer service standards and response times. Additionally, more City staff time would be necessary to manage contracts, purchase orders, and invoices. This program has not only streamlined operations but also ensures efficient allocation of resources, making it an essential asset for the City's administration.

Policy Considerations: The recommendations in this report are consistent with City Code Chapter 3.56 regarding nonprofessional services contracts.

City Code section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. This item was published for 10-day review on June 12, 2025, in compliance with the City Code.

Economic Impacts: None.

Environmental Considerations: California Environmental Quality Act (CEQA): The recommendations in this report do not constitute a project under CEQA because they involve the ongoing purchase of supplies and thus constitute continuing administrative activities under Section 15378(b)(2) of the CEQA Guidelines.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: After reviewing the available purchasing options with the least impact on City operations, the Facilities and Real Property Management Division proposes use of the Sourcewell Cooperative Purchase Agreement Number 090624-GPC with NAPA, industrial and building supplies with related equipment, accessories, supplies and services, to satisfy the competitive bidding requirements for the new NAPA contract. Use of the Sourcewell cooperative purchase agreement to continue NAPA's comprehensive parts and inventory program is advantageous to the City for the reasons enumerated above. Additionally, the Sourcewell contract

was competitively bid and Sourcewell receives greater discounts from NAPA due to a higher purchase volume than the City would receive if issuing its own bid.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers operating costs through volume buying. When comparing the administrative costs of procurement, staff consider product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. The City has used both regional and national cooperative purchase agreements in the past to complement its own contracting initiatives. Cooperative purchasing enables City departments to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

Awarding the recommended contract to NAPA will continue to provide the Facilities and Real Property Management Division with the means to improve its parts and inventory program for maintenance and repair of City facilities.

Financial Considerations: The average yearly expenditure for parts and supplies under the prior NAPA contract was \$1,500,000. The proposed new contract with NAPA has a not-to-exceed amount of \$10,500,000 over five years, starting with an anticipated \$1,670,000 in the first year and an 11.5% escalator for each of the next four years. This adjustment accounts for fluctuations in the California Construction Cost Index (CCCI) and potential impacts from tariffs or other global factors. The not-to-exceed clause ensures spending will align with the City's needs and available funding.

Sufficient funding is available in the Department of Public Works Fiscal Year 2024/25 Operating Budget (General Fund, Fund 1001) for purchases made through June 30, 2025. Purchases made after June 30, 2025, are subject to funding availability in the adopted budget of the applicable fiscal year.

Local Business Enterprise (LBE): Genuine Parts Company dba NAPA Integrated Business Solutions is an LBE.

CONTRACT #:		PROJECT:	
CONTRACT NAME:	Facilities Maintenance Parts & Inventory Program 2025	NOT-TO-EXCEED AMOUNT:	
AGREEMENT TERM:	5-Years	SOLICITATION:	Sourcewell contract 090624-GPC
AUTHORIZED RENEWALS:	0	LBE (Y/N):	N
DEPARTMENT/DIVISION:	Public Works- Facilities and Real Property Management		

CITY OF SACRAMENTO

**NONPROFESSIONAL SERVICES
AGREEMENT**

THIS CONTRACT is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and

*Genuine Parts Company dba NAPA Integrated Business Solutions
2811 W. Thomas Road Phoenix, Arizona 85017
Phone: (773) 677-7325/ E-mail: Mike_picardi@genpt.com*

("Contractor"), as of the Effective Date, as defined below.

The City and Contractor agree as follows:

1. **Effective Date.** This Contract shall be effective beginning the date it is fully executed by the duly authorized parties.
2. **Contract Documents.** This Contract includes each of the following documents, which are attached or incorporated by this reference (referred to collectively as the "Contract Documents"):

Invitation to Bid, Request for Qualifications, or Request for Proposals, and any Addenda
Exhibit A – Scope of Work
Exhibit B – Payment
Exhibit C – Insurance
Exhibit D – General Conditions
Purchase Orders

If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor and made a part of this Contract and the other terms or conditions of the Contract, the other terms and conditions of the Contract control.

3. **Services.** Subject to the terms and conditions set forth in this Contract, Contractor shall provide to City the non-professional services described in Exhibit A ("Services").

Contractor will not be compensated for non-professional services outside the scope of Exhibit A ("Additional Services") unless, before providing Additional Services: (a) Contractor notifies City and City agrees that the Additional Services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) City, after

notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid Contractor.

City will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

4. **Payment.** City shall pay Contractor at the times and in the manner set forth in Exhibit B. Contractor shall submit all invoices to City in the manner specified in Exhibit B.
5. **Facilities and Equipment.** Except as set forth below, Contractor shall, at its sole cost and expense, furnish all facilities and equipment required for Contractor to perform this Contract. City shall furnish to Contractor only the facilities and equipment listed below, if any.

Office space and space for parts store as needed; to be determined and approved by the Facilities Manager.

6. **Insurance.** Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** Contractor shall comply with the terms and conditions set forth in the attached Exhibit D.
8. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non- Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9. **Living Wage.** This Contract may be subject to Sacramento City Code chapter 3.58, Living Wage. A summary of the requirements, entitled "Living Wage Requirements", can be viewed at: <https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>. The Living Wage Ordinance is applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.58. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.58 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.58.

Contractor's violation of Sacramento City Code chapter 3.58 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

In addition, for Services that constitute "Public Works" under California Labor Code Section 1720 et seq., if both prevailing wage and living wage requirements apply, Contractor shall pay the higher of the two rates.

10. **Considering Criminal Conviction Information in the Employment Application Process.** This Contract may be subject to the requirements of Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

11. **Local Business Enterprise Program.** The Local Business Enterprise Program Participation Requirements ("LBE Participation Requirements") are applicable to this Contract. A summary of the requirements, entitled "LBE Participation Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code

chapter 3.64. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.64 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.64.

Contractor's violation of Sacramento City Code chapter 3.64 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

12. **Authority.** The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind the Contractor to the performance of the Contract's obligations.

[Signatures Page Following Exhibits]

EXHIBIT A**SCOPE OF SERVICES****1. Representatives.**

The CITY Representative for this Agreement is:

*Matt Winkler, Program Specialist
5730 24th Street, Building 4
Sacramento, CA 95822
Phone (916) 808-5579 /E-mail:
mwinkler@cityofsacramento.org*

The CONTRACTOR Representative for this Agreement is:

*Greg Silliman, Vice President
2811 W. Thomas Road
Phoenix, Arizona 85017*

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be addressed to the Contractor Representative.

- 2. Scope of Services.** Contractor shall provide Services to City as set forth in Attachment 1 to this Exhibit A.
- 3. Time of Performance.** The Services described in this Contract shall be provided for FIVE-YEARS beginning on the effective date of this Agreement . Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

SCOPE OF SERVICES

CONTRACTOR shall procure and track the City's parts and supplies ("Parts") needed to maintain City facilities, with a goal towards establishing a Parts store at a City location. As explained below, CONTRACTOR will track the City's Parts purchases made on CONTRACTOR's account from third-party vendors ("Vendors"). By tracking this information, CONTRACTOR will continue to manage the current inventory database to measure and assess the City's Parts needs. The City (in its sole discretion) will work with the CONTRACTOR to establish and operate a Parts Store on City-owned property, stocked with Parts needed by the City (as demonstrated by the initial data and updated as needed).

Specifically, CONTRACTOR will:

1. CONTRACTOR will continue to:

- a. *Establish Vendor Accounts* - Upon execution of this Agreement, CONTRACTOR shall continue managing accounts with various Parts vendors ("Vendors") to allow City staff to purchase Parts on CONTRACTOR's account. These accounts must be in CONTRACTOR's name, only to be used by authorized City personnel ("Authorized City Staff"). CONTRACTOR will be the buying party. CONTRACTOR shall negotiate with Vendors to ensure CONTRACTOR receives the best pricing possible on Parts. Each Vendor will invoice CONTRACTOR directly, and not the City, for purchased Parts. CONTRACTOR shall timely pay all Vendor invoices.
 - b. *Authorized City Staff*- The City will provide CONTRACTOR with a list of Authorized City Staff and shall update that list on an as-needed basis. CONTRACTOR shall ensure that each Vendor verifies each Authorized City Staff member's identification and tracks each Authorized City Staff member's employee identification number and work order number (provided by the Authorized City Staff member) prior to disbursing Parts.
 - c. *Tracking City Purchases* - CONTRACTOR shall track all City purchases and shall enter each purchase, by part number, and description, into the City's work-order software management system, connected to the appropriate work order, as identified by the Authorized City Staff member at the time of purchase or receive the records of the purchases as the City sees fit to manage proper inventory records.
- a. *CONTRACTOR Invoice* CONTRACTOR shall invoice the City, on a monthly basis, for all City Parts purchases in accordance with Attachment 1 to Exhibit B. All Parts purchases shall be reflected in one invoice per month from CONTRACTOR. The invoice shall identify the Authorized City Staff member's name (and employee identification number) who purchased each part, the part number, the part description, and the corresponding work order number. The City shall review all invoices for accuracy and timely submit payment to CONTRACTOR in accordance with the terms of this Agreement. The City shall not be responsible for any purchases made by non- Authorized City Staff.

ATTACHMENT 1 TO EXHIBIT A

2. **Establish and Operate a Parts Store** - Once sufficient purchasing data is established, as determined by the City, the City (in its sole discretion) will work with CONTRACTOR to establish and operate a Parts Store on City-owned property, as follows:
- a. *Parts Store Operation* - Upon receipt of a written notice-to-proceed from the City (which may be given in its sole discretion), signed by the City Manager or his designee, CONTRACTOR shall continue the Parts Store operation at City-designated site. The City will set the hours of operation. CONTRACTOR shall stock the Parts Store to satisfy at least 80% of the City's Stocking Parts needs "On Demand," meaning the Stocking Part is available onsite at the Parts Store and can be given to the City immediately upon request. "Stocking Parts" means those parts which have an average annual inventory turn of twelve (12) or greater, where "average annual inventory turn" means the annual cost of goods sold for the relevant product divided by the average annual inventory value of such product. CONTRACTOR must be able to procure and make available to the City the remaining 20% of the City's needs within 24 business hours of the City's request, provided the part is locally available.
 - b. If CONTRACTOR meets the On Demand stocking requirements listed in this section (e.g. 80% of City's Stocking Parts needs of operation with the goal of 90% of the City's Parts needs through the termination of this Agreement), the City shall purchase a minimum of 80% and up to 90% of its inventory Parts needs from CONTRACTOR.
 - c. CONTRACTOR shall stock the Parts Store with no more than one month of City Parts needs.
 - d. If the City decides not to pursue the Parts Store, the City, in its sole discretion, will continue to require tracking of the Inventory by CONTRACTOR or terminate the Agreement.

3. Parts Store Operations

- a. To satisfy the City's Parts needs that cannot be met through the Parts Store, CONTRACTOR shall maintain relationships and establish purchase agreements with multiple third-party vendors, including specialized parts suppliers.
- b. If the City's Parts needs cannot be met On Demand through the Parts Store, CONTRACTOR shall strive to secure the requested Part(s) by 9:00 a.m. the next business day following a City request, but no later than 24 hours from the City's request, regardless of where the Part(s) is ultimately obtained-offsite (at CONTRACTOR's warehouse) or from a third-party vendor. CONTRACTOR's employees shall make all deliveries in a manner consistent with safe and responsible driving practices.
- c. If CONTRACTOR is not able to satisfy a City Parts request within 24 hours or the item is needed immediately (On Demand) because of an emergency, as determined by the City, the City reserves the right to procure the item through another vendor.
- d. All Parts provided to the City shall be new or remanufactured to OEM standards unless stated otherwise.

- e. CONTRACTOR shall establish and maintain a Parts inventory system for the Parts Store, with accounting and security procedures to be agreed upon by the City. CONTRACTOR's inventory management system does not currently integrate with the City's inventory management program (also referred to as the City's work-order software management system in this Agreement), but CONTRACTOR agrees to review possible integration of the systems following the effective date of the Agreement. Any costs incurred in such integration shall be subject to mutual agreement between CONTRACTOR and City prior to incurring those costs. Until the two systems can be integrated (if ever), CONTRACTOR shall manually enter into the City's work-order software management system each art purchased from the Parts Store and the purchasing employee's name or provide a mutually agreed method in order to import the required purchasing data in to the City's work order software management system.
- f. CONTRACTOR shall provide the City with CONTRACTOR's cost information for the items offered through the Parts Store and comprehensive activity reports (e.g. documenting City Parts requests), as defined by the City and reasonably capable of being generated by CONTRACTOR's system. The frequency of these reports will be determined by the City.
- g. CONTRACTOR and City shall jointly inventory the City's existing Parts stock.
- h. CONTRACTOR shall not issue Parts to City employees without a proper work order requisition and employee identification number. The format of these requisitions must be pre-approved by the City. CONTRACTOR shall provide a receipt containing specific information with items delivered to City employees for each work order requisition. This receipt shall contain specific tracking information such as employee identification number, alpha-numeric part description, price detail, and the work order number.
- i. CONTRACTOR shall submit quarterly expense budgets for CONTRACTOR's Operational Costs (as identified in Attachment 1 to Exhibit B) to the City in advance for City approval.
- j. CONTRACTOR shall use current industry standards or better computer hardware and software to control and report on its operations.
- k. CONTRACTOR shall manage all inventory transactions for the City's Facilities and Real Property Management Division. CONTRACTOR shall provide sufficiently trained, knowledgeable and service-oriented personnel to efficiently and effectively operate the Parts Store, including parts research requested by City staff.
- l. CONTRACTOR shall provide all necessary equipment required to successfully operate the Parts system, including printers, office machines, file cabinets, computers, software, phone and data lines, and other equipment as needed.
- m. CONTRACTOR shall provide directly to the City all manufacturers' temporary/seasonal special pricing discounts on the condition that such temporary/seasonal special pricing discounts: (i) are made known to CONTRACTOR by the applicable manufacturer or supplier and (ii) meet the supply chain goals mutually agreed upon between the City and CONTRACTOR. If both conditions are met, then CONTRACTOR will provide the manufacturers' temporary/seasonal special pricing discounts directly to the City even if such discounts result in pricing less than the then-current City purchase price.

- n. BUY- BACK OF INVENTORY. Upon the termination, expiration, or non-renewal of the Agreement, the City shall purchase all non-NAPA branded inventory in the Parts Store that is less than two years old from the date of original receipt by CONTRACTOR, at CONTRACTOR'S acquisition cost. The City shall also have the option to purchase all NAPA branded inventory at CONTRACTOR'S acquisition cost. The City will not purchase non usable or used parts.

EXHIBIT B

PAYMENT

1. **Contractor's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$ 10,500,000.00. The payments specified in this Exhibit B shall be the only payments made to Contractor unless the City approves a Supplemental Contract.
2. **Pricing.** Contractor shall be paid as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **Contractor's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City.
4. **Miscellaneous Charges.** No additional charges will be allowed unless specified in the Contract, including charges for transportation, fuel, containers, packing, or disposal.
5. **Payments to Contractor.** Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
 - A. Payment terms are NET 30 days, unless the Contractor offers a prompt payment discount that was accepted by the City or as otherwise stated in this Contract. Any prompt payment discounts will be computed from the date of acceptance by the City, or from the date an invoice is received, whichever occurs later.
 - B. Invoices must be submitted to either of the addresses specified below.
 - (1) Email. Submit email invoices and any attachments to:
apinvoices@cityofsacramento.org
 - (2) Postal Mail. If emailing is not an option, mail to: A/P Processing Center
City of
Sacramento
915 I Street,
Floor 4
Sacramento, CA 95814-2608
 - C. All invoices submitted by CONTRACTOR must contain the following information:
 - (1) Job/Project Name
 - (2) CITY's current Purchase Order Number
 - (3) Contractor's Invoice Number

- (4) Date of Invoice Issuance
- (5) Work Order Number (if applicable)
- (6) CITY representative identified on the Purchase Order
- (7) Contractor's remit address
- (8) Itemized description of items billed under Invoice
- (9) Itemized description of all authorized Reimbursable Expenses
- (10) Itemized description of all applicable taxes (sales, use, excise, etc.)
- (11) Amount of Invoice (itemize all authorized Reimbursable Expenses)
- (12) Total Billed to Date under Contract (if applicable)

D. Items must be separated into Goods, Services, and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. City is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.

E. For Goods only, a bill of lading number and weight of shipment will be shown for shipments on the Government Bill of Lading.

F. Unless otherwise specified in this Contract, partial payments will not be made by the City and payment will not be due until the completion of the Goods order. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representative for this Contract.

6. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services.

7. **Accounting Records of Contractor.** During performance of this Contract and for a period of three years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the City upon reasonable written notice.

8. **Tax Payments.** Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request. Contractor hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of Contractor's breach of this section.

9. **Public Works Requirements.** *[To be completed by the City Representative:]*

The services provided under this Contract include ***[check one if applicable]:***

_____ Construction work in an amount exceeding \$25,000;

- _____ Land Surveying, material testing, or inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project; or
- _____ Alteration, demolition, repair, or maintenance work in an amount exceeding \$15,000.

If any of the lines is checked above, this Contract includes “Public Work” under the California Labor Code and is subject to the following requirements:

- A. Payment of Prevailing Wages: Contractor and any subcontractor(s) performing any Public Work shall comply with the provisions of Sacramento City Code section 3.60.040 and applicable provisions of the California Labor Code, which require, among other things, that Contractor and all subcontractors pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations (“DIR”) in accordance with California Labor Code section 1773. Contractor and every subcontractor shall maintain payroll records and submit certified payrolls and other labor compliance documentation electronically when and as required by CITY. In addition, Labor Code Section 1771.4 requires the Contractor and any subcontractor performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner. Contractor shall include these requirements in every subcontract.

This Agreement is subject to compliance monitoring and enforcement by the DIR, as specified in California Labor Code section 1771.4. The Contractor and any subcontractor will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code Sections 1726, 1741, 1771.5, and 1775, and City Code Section 3.60.040. Questions regarding the City’s Labor Compliance Program should be directed to the City Representative.

- B. DIR Registration: California Labor Code Section 1725.5 requires the Contractor and all subcontractors performing Public Works services to be currently registered with the DIR, as specified in California Labor Code Section 1725.5. California Labor Code Section 1771.1 provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the California Public Contract Code), or engage in the performance of any contract for Public Work, unless currently registered and qualified to perform Public Work in accordance with California Labor Code Section 1725.5.

Further information can be found on DIR’s website at [http://www.dir.ca.gov/Public- Works/Contractors.html](http://www.dir.ca.gov/Public-Works/Contractors.html). The above summary is provided solely for informational purposes and does not in any way affect the Contractor’s and subcontractors’ obligation to comply in all respects with all other applicable laws and regulations. The Contractor shall disseminate these provisions to all subcontractors.

Before the performance of work by Contractor or any subcontractor(s) under

this Contract, Contractor shall furnish Contractor's and any subcontractors' current DIR registration number(s). The Contractor's current DIR registration number and the current DIR registration number of all subcontractors will be listed on the Subcontractor and LBE Participation Verification Form, incorporated herein.

- C. Workers' Compensation Certification. In accordance with California Labor Code Section 1861, by signing this Contract, Contractor acknowledges and represents that Contractor is aware of the provisions of section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with the provisions of the Labor Code before commencing performance under this Contract.
- D. Apprentices. If this Contract is for the performance of any Public Work, and the amount of the Contract is \$30,000 or more, the Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.050, Section 1777.5 et seq. of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractors performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code Section 1777.7.
- E. Working Hours. If this Contract is for the performance of any Public Work, Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.040 and California Labor Code Section 1810 et seq., governing the working hours of employees performing Public Work.
- F. Failure to Comply with Labor Compliance. If all applicable labor compliance requirements are not met, the City will have the right to withhold or reject a payment request and/or invoice, in whole or in part, without in any way relieving Contractor or its subcontractors of any obligations under this Contract.
- G. Subcontractors. The Contractor shall include these provisions A through F in every subcontract or sub-agreement for any subcontractors performing work under this Contract.

CONTRACTOR shall be compensated as follows:

Product Costs

All original equipment manufacturer (OEM) and non-OEM Parts (Products) will be billed to the City at cost. CONTRACTOR shall negotiate with Vendors to ensure CONTRACTOR receives the best pricing possible on Parts.

- The term "cost" as used above and in the Pricing Plan Summary below means Jobber Net store cost, minus any manufacture rebates, and drop ship discounts to achieve NET cost. Or in the case of buyouts, it will be lowest landed invoice cost.

- All Parts will be billed to the City at this rate, including Parts purchased during the Inventory Tracking Period, as explained in Attachment 1 to Exhibit A.

Operational Costs

CONTRACTOR will bill the City for CONTRACTOR's Operational Costs associated with CONTRACTOR's services, with no markup. CONTRACTOR's Operational Costs are all costs and expenses associated with CONTRACTOR's services to the City under this Agreement, including the operation of the Parts Store and the salary and benefits payable to CONTRACTOR's employees at the Parts Store, workers compensation benefits and insurance, unemployment insurance, and personal property insurance for the Parts Store and inventory. Operational Costs also include a telephone line, general liability insurance, vehicle maintenance, vehicle insurance, shipping supplies, computer, and software. An example of a profit and loss statement reflecting such Operational Costs is attached hereto as Attachment 2 to this Exhibit B. The City acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Attachment 2 to this Exhibit B are subject to change based on actual monthly costs and expenses.

Local Cost of Living Adjustments ("COLA") annual wage changes will be reviewed and agreed upon by both parties.

All fees and expenses will be agreed upon by both parties. Additional overtime expense incurred as a result of peak or emergency response for required hours of operation outside normal business hours will be billed as a separate line item (calculated at time and a half).

Not later than 30 days prior to the start of each calendar quarter, CONTRACTOR shall submit its projected Operational Costs for the upcoming quarter to the City for approval. The City may approve or reject the proposed Operational Costs in its sole discretion.

Management Fee

The return for CONTRACTOR by billing materials and operating costs with no markup comes in the form of a monthly management fee billed to the City. The management fee shall be calculated as follows:


CONTRACTOR will receive a management fee equal to the sum of (a) nine percent (9%) of total monthly sales for any Products under \$1,000 (for NAPA products and non-NAPA products); (b) seven percent (7%) of total monthly sales for any Products between \$1000.01 - \$5,000; (c) five percent (5%) of total monthly sales for any Products between \$5000.01 - \$10,000; and (d) three percent (3%) of total monthly sales for any products \$10,000.01 – or greater.

Pricing Plan Summary

- All products purchased by NAPA IBS billed to City at cost
- Operational Costs - Billed to City at cost but must be pre-approved in advance by the City, as explained above.
- Management Fee – Billed to City based on a percentage of total monthly sales, as explained above.

SAMPLE

City of Sacramento Facilities



COST + 0% PLUS OPERATING EXPENSES WITH MANAGEMENT FEE - ONSITE

Projected Expenses	NAPA Monthly Parts and Operational Projections	% To Sales	Target Year One	
Parts Purchases	\$ 88,003	100.00%	\$ 1,056,036	
Cost of Goods	\$ 88,003	100.00%	\$ 1,056,036	
GROSS PROFIT	\$ -	0.00%	\$ -	
Accounting Fees	\$ 871	0.99%	\$ 10,455	
PAYROLL:				
Manager/Counter Salaries	\$ 7,102	8.07%	\$ 85,224	1 Manager, 1 Counter
Delivery Driver Salaries		0.00%	\$ -	
Pension	\$ 396	0.45%	\$ 4,752	employee pension program
Insurance	\$ 312	0.35%	\$ 3,744	Group Benefits Insurance
Workers Comp Insurance	\$ -	0.00%	\$ -	Workers Comp Insurance
FICA/SECA/FUI/SUI	\$ 1,100	1.25%	\$ 13,200	
Total IBS Payroll	\$ 8,910	10.12%	\$ 106,920	
Miscellaneous Expenses				
Management Fee	\$ 7,920			9% of total monthly sales for any Products under \$1,000; 7% of total monthly sales for any Products between \$1000.01 - \$5,000; 5% of total monthly sales for any Products between \$5000.01 - \$10,000; and 3% of total monthly sales for any products \$10,000.01 – or greater
Delivery Truck Insurance	\$ -	0.00%	\$ -	No Additional Delivery Driver Needed
Delivery Maintenance/Gas	\$ -	0.00%	\$ -	No Additional Delivery Driver Needed
Truck Payment	\$ -	0.00%	\$ -	No Additional Delivery Driver Needed
Shelving/Cage Depreciation	\$ 75	0.09%	\$ 900	
Freight & Postage	\$ -	0.00%	\$ -	Fluctuating number depending upon freight paid for
General Liability Insurance	\$ 125	0.14%	\$ 1,500	
Stationary, Shipping Supplies	\$ 50	0.06%	\$ 600	Stationary / Shipping Supplies
Store Expenses	\$ 325	0.37%	\$ 3,900	Misc. Store Expenses (Fax Machine, Fax Paper, Printer Ribbons etc.)
Equipment Purchases	\$ 620	0.70%	\$ 7,440	
Telephone	\$ 100	0.11%	\$ 1,200	
Inventory Computer	\$ 400	0.45%	\$ 4,800	
Training	\$ 14	0.02%	\$ 168	
TOTAL MISC. EXP.	\$ 1,709	1.94%	\$ 20,508	
TOTAL EXPENSES	\$ 11,490	13.06%	\$ 137,883	

EXHIBIT C

INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, Contractor shall maintain the insurance coverage described in the Insurance Terms below.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

 X Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

 No automobile liability insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that a motor vehicle will not be used in the performance of any work or services under this agreement. If, however, Contractor does transport items under this

Contract, or this Contract is amended to require any employees of Contractor to use a vehicle to perform services under the Contract, Contractor understands that it must maintain and provide evidence of Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor."

4. **Excess Insurance.** The CONTRACTOR may use Umbrella or Excess Policies to meet the required liability limits. This form of insurance will be acceptable provided that any umbrella or excess policies provide all of the insurance coverages required and meet the other requirements for the primary policies as set forth in this Agreement. Umbrella and/or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided in the underlying primary policy.

Umbrella or excess policies shall contain, or be endorsed to provide that the City, its officials, employees, and volunteers shall be covered as additional insureds, as well as a provision that it will apply on a primary basis for the benefit of the City. Any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it. No insurance or self-insurance maintained by the City that applies to a loss covered herein, whether Primary or Excess, and which also applies to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's Primary and Excess liability policy limits set forth herein are exhausted.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

☒ **Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.**

☐ No work or services will be performed on or at CITY facilities or CITY Property, therefore a Workers' Compensation waiver of subrogation in favor of the CITY is not required.

☐ No Workers' Compensation insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that its business has no employees, and that it does not employ anyone, and is therefore exempt from the legal requirements to provide Workers' Compensation insurance. If, however, Contractor hires any employee during the term of this Contract, Contractor understands that Workers' Compensation with statutory limits and Employer's Liability Insurance with a limit of not less than one million dollars (\$1,000,000) is required. The Workers' Compensation policy will include a waiver of subrogation in favor of the City."

6. **Other Insurance Provisions.** The policies must contain, or be endorsed to contain, the following provisions:

- A. Contractor's insurance coverage, including excess insurance, shall be primary and non- contributory insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.
- B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.
- C. Coverage shall state that Contractor's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- D. Contractor shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

7. **Waiver of Subrogation.** Each party hereby grants to the other a waiver of any right to subrogation which any insurer may acquire against the other party by virtue of the payment of any loss under such insurance. Each party agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the other party has received a waiver of subrogation endorsement from an insurer.

8. **Acceptability of Insurance.** Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the City in writing before execution of this Contract.

9. **Verification of Coverage.**

A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.

B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

C. Certificate Holder must be listed as:

City of Sacramento
c/o Exigis LLC

PO Box 947
Murrieta, CA 92564

- D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

- 10. **Subcontractor Insurance Coverage.** Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.

EXHIBIT D

GENERAL CONDITIONS

1. Independent Contractor.

- A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to CITY employees. CITY is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the results. To the extent that Contractor obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that Contractor use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 Forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between CITY and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** Contractor represents and warrants that Contractor has, and shall maintain at all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for Contractor to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.
3. **Time.** Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **Contractor Not Agent.** Except as City may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor and Contractor's personnel shall have no authority, express or implied, to bind City to any obligations whatsoever.
5. **Conflicts of Interest.** Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the City's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the City, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

6. **Hazardous Substances.** "Hazardous Substances" means any substance, material, waste, or other pollutant or contaminant that is or becomes designated, classified, or regulated as hazardous or toxic under any law, regulation, rule, order, decree, or other governmental requirement now in effect or later enacted. If Contractor is shipping Hazardous Substances, Contractor must supply a Safety Data Sheet ("SDS") with the first shipment of Hazardous Substances to each City location receiving the Hazardous Substances. If the content of an SDS is revised, Contractor must provide a revised SDS to each City location receiving Hazardous Substances.
7. **Confidentiality of City Information.** During performance of this Contract, Contractor may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City.

Contractor agrees to protect all City Information and treat it as strictly confidential, and further agrees that Contractor shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the City's prior

written consent.

In addition, Contractor must comply with all City policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by Contractor of this section is a material violation of this Contract and shall justify legal and equitable relief.

8. Contractor Information.

- A. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor under this Contract. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Contractor shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.
- B. Contractor shall fully defend, indemnify and hold harmless City, its officers and employees, and each of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Contractor not later than ten days after City is served with any such claim, action, lawsuit or other proceeding. However, City's failure to provide notice within the ten-day period does not relieve Contractor of its obligations hereunder, which survive any termination or expiration of this Contract.
- C. All proprietary and other information received from Contractor by City, whether received in connection with Contractor's proposal to City or in connection with Contractor's performance, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Contractor of any request for the disclosure of such information. The Contractor will then have five days from the date it receives notice to petition the court for a protective order to prevent the disclosure of the information. The Contractor shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by Contractor to respond to the notice provided by City and seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by Contractor of any rights regarding the information designated "trade secret" by Contractor, and the information will be disclosed by City in accordance with the Public Records Act.

9. Notification of Material Changes in Business. Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring,

leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.

- 10. Standard of Performance.** Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all requirements of this Contract. All products that Contractor delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.

Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the City in writing of any changes in Contractor's staff assigned to perform under this Contract, before any performance by the new staff member. If the City, in its sole discretion, determines that any person assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Contractor shall immediately remove the assigned person upon receipt of the notice.

- 11. Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the Contractor, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. Contractor's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.

- 12. Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased usage. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without additional mark-up, regardless of the circumstances. If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption

- 13. Term; Suspension; Termination.**

- A. This Contract is effective on the Effective Date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.
- B. City shall have the right at any time to suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. Upon receipt of such notice, Contractor shall immediately suspend its activities under this Contract, as specified in the notice.

- C. Either the City or Contractor shall have the right to terminate this Contract at any time by giving the other party at least 90 day prior written notice of such termination. If the City gives such notice of termination, Contractor shall immediately cease performance under this Contract as specified in the notice. If the City terminates this Contract:
- (1) Contractor shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
 - (2) The City shall pay Contractor the reasonable value of Goods or Services provided by Contractor before termination; provided, however, City shall not in any manner be liable for lost profits that might have been made by Contractor had the Contract not been terminated or had Contractor completed performance required by this Contract. Contractor shall furnish to the City any financial information requested by the City to determine the reasonable value of the Goods or Services provided by Contractor. The foregoing is cumulative and does not affect any right or remedy that City may have in law or equity.

14. Intentionally Omitted.

15. Guarantee and Warranty.

- A. The Contractor shall pass through to the City all available manufacturer's warranties and guarantees of merchantability.
- B. Contractor shall maintain warranty records of Parts sold to the City and issue any credits including labor (based on the City's current labor rates, as provided by the City) and parts, due to City that are covered under these warranties.
- C. All inventory supplied pursuant to this Agreement are subject to the terms of written warranties provided by the manufacturer of each part, and Contractor shall use reasonable commercial efforts to assist the City in processing all warranty claims for the replacement or issuing credit for the part, including labor reimbursement for NAPA parts (labor reimbursement shall fall under the NAPA labor reimbursement policy which the parties agree does not apply to commercial facilities). ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. Labor claims will be evaluated by Contractor's third-party claims administrator for approval. Reimbursement shall be made in the form of a credit to the City's account. For non-NAPA parts, labor reimbursement and parts warranties shall be negotiated by the Contractor with each applicable non-NAPA vendor that the City may have against Contractor and/or the manufacturer. The on-site store personnel will process all warranty claims and provide the City with information received from each claim processed. The manufacturer's warranty will be the sole and exclusive remedy of the City in connection with any claims concerning the parts supplied to the City pursuant to this Agreement.

- D. City's inspections, approval, acceptance, or payment for all or part of any Goods and Services will in no way affect City's warranty rights set forth in this Section 15.

16. Indemnity.

- A. Indemnity: Contractor shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Contract, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by Contractor, any subcontractor (including lower-tier subcontractors) or agent of Contractor, their respective officers and employees, and anyone else for whose acts of omissions any of them may be liable, whether or not the Liabilities (i) are caused in part by a party indemnified hereunder, or (ii) are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense, to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the supervision and control of Contractor or any subcontractor (including lower-tier subcontractors) or agent of Contractor.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract will not affect or limit any of City's rights under this Section, nor will the limits of any insurance limit the liability of Contractor hereunder. This Section will not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of section 8.B., above.
- C. Survival. The provisions of this section will survive any expiration or termination of this Contract.

17. Funding Availability.

- A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.
- B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council.
- C. This Section shall govern over any other contrary provision of the Contract; provided that the terms of this Section shall not apply to the City's obligations in

the Scope of Services to purchase all non-NAPA branded inventory in the Parts Store upon the termination, expiration, or non-renewal of this Agreement.

18. Equal Employment Opportunity. During the performance of this Contract, Contractor, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment," as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
- B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the City, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the City shall impose any sanctions it determines are appropriate including:
 - (1) Withholding of payments to Contractor under this Contract until Contractor complies;
 - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
- F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these

provisions, including sanctions for noncompliance; provided, however, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request that the City join such litigation to protect the City's interests.

19. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by Contractor, and by City, in accordance with applicable provisions of the Sacramento City Code.
20. **Modification of Contract.** The Contractor shall take no direction from any City employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
21. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.
22. **Waiver.** Neither the City's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.
23. **Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
24. **Assignment Prohibited.** The expertise and experience of Contractor are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor shall not assign any right or obligation pursuant to this Contract without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
25. **Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 24, above.
26. **Compliance with Laws.** The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health,

Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.

27. Debarment Certification

A. Pursuant to 2 CFR, Part 200, and applicable Executive Orders, the City is restricted in its ability to contract with certain parties that are debarred, suspended, or otherwise excluded or ineligible for participating in Federal assistance programs or activities. By signing this Agreement, CONTRACTOR warrants and certifies under penalty of perjury under the laws of the State of California that Contractor, including any owner, partner, director, officer, or principal of the CONTRACTOR, or any person in a position with management responsibility or responsibility for the administration of federal funds:

(1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;

(2) Has not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or other criminal felony;

(3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or

(4) Has not, within a three-year period preceding this certification, had one or more public contracts (federal, state, or local) or transactions terminated for cause or default.

(5) Has not been notified, within a three-year period preceding this certification, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied. Federal taxes are considered delinquent if the tax liability has been finally determined and the taxpayer is delinquent in making payment, as defined in Section 52.209-5 of the Federal Acquisition Regulations.

B. CONTRACTOR further warrants and certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency. Any exceptions to the warranties and certifications in this Section must be disclosed to the City.

C. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining Contractor's responsibility. Disclosures must indicate to whom exceptions apply, the initiating agency, and dates of action.

D. City will review the Federal Government's System for Award Management Exclusions maintained by the General Services Administration for eligibility, prior to the execution of this Agreement. The CONTRACTOR shall provide immediate written notice to the City if, at any time

prior to execution, the CONTRACTOR learns this certification is erroneous or has become erroneous by reason of changed circumstances. If it is later determined that the Contractor's warranties and certification in this Section were erroneous, the City may terminate this Agreement for default.

CITY OF SACRAMENTO
A Municipal Corporation

By: _____

Print name: Ryan Moore

Title: Assistant City Manager

Date: _____

For: Interim City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachments

Exhibit A	Scope of Work
Exhibit B	Payment
Exhibit C	Insurance
Exhibit D	General Conditions

CONTRACTOR:

Genuine Parts Company

NAME OF FIRM

58-024510

Federal I.D. No.

179-5669-9

State I.D. No.

106925

City of Sacramento Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

☐ Individual/Sole Proprietor

☐ Partnership

☒ Corporation (*may require 2 signatures*)

☐ Limited Liability Company

☐ Other (*please specify:* _____)

Marc Stein

Digitally signed by Marc
Stein
Date: 2025.05.30
08:27:35 -07'00'

Signature of Authorized Person

Marc Stein Vice President

Print Name and Title

Additional Signature (*if required*)

Print Name and Title



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
05/30/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services South, Inc. Atlanta GA Office 3550 Lenox Road NE Suite 1700 Atlanta GA 30326 USA	CONTACT NAME:	
	PHONE (A/C. No. Ext): 866-283-7122	FAX (A/C. No.): 800-363-0105
INSURED GENUINE PARTS CO & SUBSIDIARIES 2999 wildwood Parkway Atlanta GA 30339 USA	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A: Old Republic Insurance Company	24147
	INSURER B: ACE Property & Casualty Insurance Co.	20699
	INSURER C: Safety National Casualty Corp	15105
	INSURER D:	
INSURER E:		
INSURER F:		

COVERAGES**CERTIFICATE NUMBER:** 570112879310**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			MwZY31404824	09/01/2024	09/01/2025	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$2,000,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			MWTB-314047-24	09/01/2024	09/01/2025	COMBINED SINGLE LIMIT (Ea accident) \$5,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$25,000			XEUG27888719010	09/01/2024	09/01/2025	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			LDS4049768 AOS SP4067845 Excess WC - OH SIR applies per policy terms & conditions	01/01/2025 01/01/2025	01/01/2026 01/01/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Sacramento, its officials, employees and volunteers are included as Additional Insured in accordance with the policy provisions of the General Liability, Automobile Liability and Umbrella Liability policies. General Liability, Automobile Liability and Umbrella Liability policies evidenced herein are Primary and Non-Contributory to other insurance available to an Additional Insured, but only in accordance with the policy's provisions. A waiver of subrogation is granted in favor of Certificate Holder in accordance with the policy provisions of the workers' Compensation policy. Contractual Liability is included in referenced General Liability policy.

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento c/o Exigis LLC PO Box 947 Murrieta CA 92564 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Aon Risk Services South Inc.</i>

Holder Identifier :

Certificate No : 570112879310



AGENCY CUSTOMER ID: 10638915

LOC #:

ADDITIONAL REMARKS SCHEDULE

Page _ of _

AGENCY Aon Risk Services South, Inc.		NAMED INSURED GENUINE PARTS CO & SUBSIDIARIES
POLICY NUMBER See Certificate Number: 570112879310		
CARRIER See Certificate Number: 570112879310	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,****FORM NUMBER:** ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

Additional Named Insureds:

NAPA Auto Parts
Motion Industries, Inc
National Automotive Parts Association, LLC
Balkamp
Rayloc
AST Bearings, et al
Motor Parts & Equipment Corporation
Walker Automotive Supplies
AutoPartsPros, LLC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
All where Required by Written Contract.	As Required by Written Contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART DESIGNATED SITES
POLLUTION LIABILITY LIMITED COVERAGE PART DESIGNATED SITES
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

SCHEDULE

Name Of Person(s) Or Organization(s):

Where Required by Written Contract

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions**:

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

POLICY NUMBER:

COMMERCIAL AUTO
CA 20 01 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LESSOR – ADDITIONAL INSURED AND LOSS PAYEE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured: Genuine Parts Company

Endorsement Effective Date: 09/01/24

SCHEDULE

Insurance Company: Old Republic Insurance Company

Policy Number: MWTB 314047 24

Effective Date: 09/01/24

Expiration Date: 09/01/25

Named Insured: Genuine Parts Company

Address: 2999 Wildwood Parkway
Atlanta, GA 30339

Additional Insured (Lessor):
All Lessors per Lease Agreement.

Address:

Designation Or Description Of "Leased Autos":

All Leased Autos per Lease Agreement.

Coverages	Limit Of Insurance Or Deductible	
Covered Autos Liability	\$ 5,000,000	Each "Accident"
Comprehensive	\$ NA	Deductible For Each Covered "Leased Auto"
Collision	\$ NA	Deductible For Each Covered "Leased Auto"
Specified Causes Of Loss	\$ NA	Deductible For Each Covered "Leased Auto"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. Coverage

1. Any "leased auto" designated or described in the Schedule will be considered a covered "auto" you own and not a covered "auto" you hire or borrow.
2. For a "leased auto" designated or described in the Schedule, the **Who Is An Insured** provision under **Covered Autos Liability Coverage** is changed to include as an "insured" the lessor named in the Schedule. However, the lessor is an "insured" only for "bodily injury" or "property damage" resulting from the acts or omissions by:
 - a. You;
 - b. Any of your "employees" or agents; or
 - c. Any person, except the lessor or any "employee" or agent of the lessor, operating a "leased auto" with the permission of any of the above.
3. The coverages provided under this endorsement apply to any "leased auto" described in the Schedule until the expiration date shown in the Schedule, or when the lessor or his or her agent takes possession of the "leased auto", whichever occurs first.

B. Loss Payable Clause

1. We will pay, as interest may appear, you and the lessor named in this endorsement for "loss" to a "leased auto".

2. The insurance covers the interest of the lessor unless the "loss" results from fraudulent acts or omissions on your part.
3. If we make any payment to the lessor, we will obtain his or her rights against any other party.

C. Cancellation

1. If we cancel the Policy, we will mail notice to the lessor in accordance with the Cancellation Common Policy Condition.
2. If you cancel the Policy, we will mail notice to the lessor.
3. Cancellation ends this agreement.

- D. The lessor is not liable for payment of your premiums.

E. Additional Definition

As used in this endorsement:

"Leased auto" means an "auto" leased or rented to you, including any substitute, replacement or extra "auto" needed to meet seasonal or other needs, under a leasing or rental agreement that requires you to provide direct primary insurance for the lessor.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT—CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 0 % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE

Person or Organization**Job Description**

ALL PROJECTS AND LOCATIONS WHERE THE INSURED
IS AN ENROLLED PARTICIPANT IN A WRAP-UP
INSURANCE PROGRAM

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 01/01/2025

Policy No. LDS4049768

Endorsement No.

Insured GENUINE PARTS COMPANY

Premium \$ Included

Insurance Company Safety National Casualty Corporation

Countersigned By _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
All persons or organizations as required by contract or agreement.	The locations as specified in the written contracts or agreements.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.