

EXECUTIVE SUMMARY



05/05/2016

To: NASPO ValuePoint Management Board

From: Tim Hay for the Immediate Need Auto Parts Sourcing Team

RE: Evaluation/Award Summary and Recommendation for NASPO ValuePoint RFP 900006747, Aftermarket Auto Parts.

This executive summary was prepared by NASPO ValuePoint staff for use by the Management Board. The official award documents are maintained by the Lead State in accordance with its procurement laws.

Background: The NASPO ValuePoint Management Board approved conducting a re-solicitation for Immediate Need Auto Parts. The resulting services would allow states to have a master agreement for Immediate Need Auto Parts. The Immediate Need Auto Parts Sourcing Team has concluded the RFP evaluation process and has made recommendations regarding the resulting proposed contract award. Accordingly, the team is seeking approval of the award by the NASPO ValuePoint Management Board. In this re-solicited contract portfolio for NASPO ValuePoint, the sourcing team recommends a potential term up to five (5) years.

Sourcing Team: The RFP was led by Oklahoma and was developed with sourcing team involvement with members from five states: Alaska, Connecticut, Oklahoma, Nevada and Utah. NASPO ValuePoint staff provided project oversight.

RFP Information: The RFP was issued on February 2, 2016. A pre-proposal conference was held February 11, 2016 and was attended by multiple vendors. The RFP was amended three times. The RFP closed March 16, 2016.

Proposal Information: Five proposals were received. The Sourcing Team met on April 12 -14 in Oklahoma City to complete evaluation and scoring of each offeror's proposal. Evaluation was based on number of locations, references and cost.

Evaluations: The RFP allowed for multiple vendor awards based on the highest ranked proposals in the scoring. The team chose to use natural break in scoring and determined the biggest break was between the number three and fourth ranked proposer.

Current and new supplier makeup: The previous NASPO ValuePoint contract for these services had three contractors. Consistent with the RFP evaluation criteria, the sourcing team recommends award to the following vendors: Pep Boys/Auto Plus, Napa and O'Reilly for a total of three contractors.

Key benefits of new agreements: Below are some highlights of the benefits from the prospective contract awards:

1. The team compared the results against the KPMG benchmark study. The previous contracts were obtaining an average of 30% discount off of list. These new agreements are average 50% discounts off of list pricing.
2. With the combination of all three contractors, there are over 12,000 locations to order parts from.

Conclusion: The State of Oklahoma management has reviewed and approved these award recommendations. I endorse the excellent work and analysis of the sourcing team and recommend your approval of the proposed awards and ask that we permit Oklahoma to move ahead with the recommended NASPO ValuePoint awards. Awards are subject to successful negotiations between the lead state and proposers.

	Pep Boys	NAPA	Auto Zone	O'Reilly	West Springfield
Mandatories	Yes	Yes	Yes	Yes	No
References	86	125	121	122	
Locations	27	100	86	78	
Cost	588.5	538.1	397.39	501.52	
Totals	701.5	763.1	604.39	701.52	