MOH 3899
ITEM No. 13
5/25/05

ORIGINAL

CITY OF CATHEDRAL CITY
AGENDA REPORT

FILE

SUBJECT: **Authorize the Police Department to enter into an agreement with American Traffic Solutions as a BETA site for a 'Red Light Camera program.**

DEPARTMENT: **Police Department** **MEETING DATE: May 25, 2005**

CONTACT: **Chief Stan Henry** **DEADLINE FOR ACTION: May 25, 2005**

APPROVED: Department City Manager Finance

RECOMMENDATION:

It is recommended the City Council allow the Police Department to enter into an agreement with American Traffic Solutions (ATS) to operate as a 'Beta' site to employ the use of 'Red Light Camera' technology in the enforcement of red light traffic violations. The agreement will consist of a study performed by ATS under the cooperation of the police department, to determine the intersection(s) which would benefit by red light technology, and the installation of all necessary equipment. This Beta program will be at no expense to the City.

BACKGROUND:

Police departments across the country are all struggling with issues including budgetary concerns and the human resources available to accomplish the increased demands from the citizenry. Traffic enforcement has long been a concern for Cathedral City. The growth of the Valley has added immeasurable traffic loads on Cathedral City roadways. Congestion is upon us and the need for increased traffic enforcement is necessary. As budgets shrink and demands increase, it is prudent for cities to investigate the use of existing and emerging technologies. These emerging technologies may assist by providing a low or in this case, a no cost alternative to meet the demand.

There is a debate on the uses of these and other technologies that assist law enforcement in the enforcement of laws. Photo enforcement is seen by law enforcement as a viable solution as we move into the 21st century. Unlike random camera surveillance in public areas deployed in many cities today, photo enforcement is intended to capture the photo of the traffic violator and the license plate of the vehicle violating the law. Therefore, this video is not indiscriminate in nature. The video captures specific parties as a result of specific actions.

Indian Wells has had a successful program for approximately four years. They have

successfully administered a four camera system at three intersections. According to their Public Safety Manager, the Red Light Camera Program has been a part of their overall traffic strategy. He reports more awareness, less speeding and collisions. Residents, Coachella Valley travelers and commuters know the cameras are there and slow down in Indian Wells. The cameras have created few complaints and according to the Public Safety Manager been received well by the community. He said Cathedral City will be happy with the results.

The Video cameras are installed to capture a photo of the driver, front and rear plates as well as recording the first five seconds of the red phase. The reviewing officer can review the recording and witness the violator roll across the limit line after the signal turns red. The average digital tape will run 24 hours before being wirelessly downloaded to ATS for processing.

Once the violations are captured and processed, the video is provided to the police department in a pre-designated format, allowing a police officer to view the images. The viewing officer verifies the violation and authorizes the citation to be issued. If necessary the video images are made available to the violator and may be used in court to assist in prosecution of the citation.

The Cathedral City Police Department has been investigating the use of 'Red Light' camera enforcement technology for several years. For years various companies have installed this technology across the U.S. The previous technology has been costly, and needed a minimum number of citations necessary to justify the expense of the system. Absent the minimum citations, the city or county was left with making purchase or lease payments from other revenue sources. These circumstances led larger cities or those with deeper pockets as the only ones able to invest in this form of technology.

The Red Light cameras of the past operated on older technology that required extensive street and sidewalk demolition, the erection of large camera support standards, and large adjoining equipment cabinets. The photos were developed from 'wet film' format, causing the need to retrieve the film regularly for processing.

The ATS proposal utilizes compact cameras and technology, which can be housed in smaller equipment boxes and the utilization of existing light standards. There is no need for costly street and sidewalk demolition or repairs. The photos/video are digital and are transferred by wireless technology, utilizing the internet. The internet also allows ATS to transmit the photo/video to the police department for the necessary viewing by a police officer.

The web based technology allows the police department to access information concerning every aspect of the program, including access to all key operational and performance data reports. The violation analysis is very quick and simple to achieve. The image resolution is high quality.

ATS is offering Cathedral City a limited special offer:

- ATS will perform an intersection evaluation to determine the need for the program
- Should the study support the program the agreement will reflect the need and convert to a cost neutral Professional Service Agreement.
- There is a trail test program for one year, with an optional four year extension with mutual right to phase out of the program each anniversary
- The City is guaranteed no financial loss. The monthly billing will never be more than the income generated by the program, and will never exceed the average per-approach service fee.

FISCAL IMPACT

The Red Light Camera System as presented by ATS is a cost neutral program for the City of Cathedral City. The first year is a pilot program for Cathedral City to make sure it is a good fit for the City. Therefore the expense to Cathedral City is zero for the first year. Because the fines to pay the expense for the system come to the City from the Court the City needs to budget the annual cost for the first year. The City will never be charged more than the revenue from the fines. The revenues for this cost will be placed into the Traffic Safety Fund from the citations issues for the violations. The continuation of the program for an additional four years will be upon mutually agreed upon terms. If ATS and the City cannot mutually agree on terms for the remainder of the four years the system will be removed.

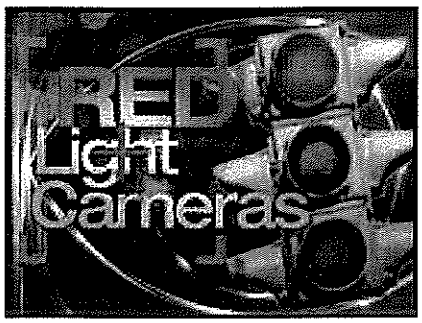
Fund Name / Source	Full Account Number	Amount	Budget Oper/Capital	Budget Existing/New
Traffic Safety Fund	233-3503-8601	$63,420.00	Capital	New

ALTERNATIVES

Choose not to participate in a Red Light Camera option at this time

ATTACHMENTS:

Sample Agreement
American Traffic Solution proposal
Sample dangerous intersection analysis service agreement



American Traffic Solutions

SYSTEMS

MULVIHILL Intelligent Control Systems, Inc.

ATS Presentation Summary
Red Light Camera Enforcement Program
for
Cathedral City, CA

March 5, 2005

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This presentation includes data that shall not be discussed outside Cathedral City, CA and shall not be duplicated, used, or disclosed (in whole or in part) for any purpose other than to evaluate this proposal or quotation.

Presentation Summary

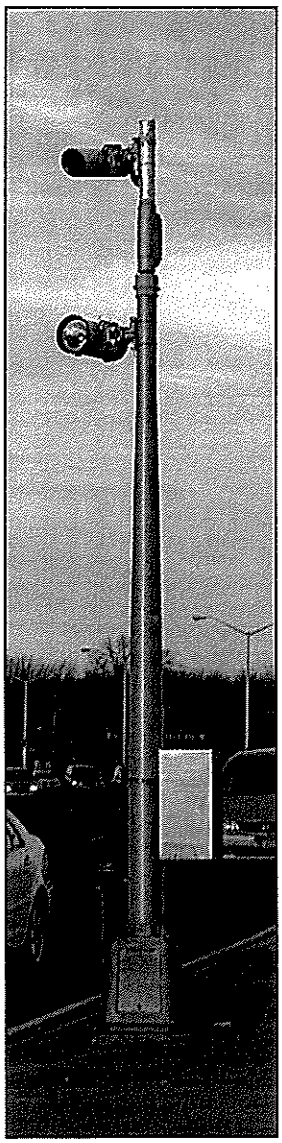
While American Traffic Solutions and Mulvihill (ATS/MICS) may not be as recognized in the West, the ATS/MICS team is the best-known name in red light cameras in the East. The team has been pioneering the Automated Enforcement industry since 1983, and has the largest red light program in the U.S. – New York City, as well as in New Zealand and a major presence in Canada. The New York City program maintains 50 active digital cameras rotated among 75 sites and issues 330,000 notices annually. The team just won the Philadelphia RFP and delivered an operational system in 60 days.

In fact, the principals of ATS implemented the first photo enforcement programs in Arizona, California, and Colorado.

1. **What the ATS/MICS, Axsis™ systems, offer a city seeking photo enforcement:**

   - The highest level of red light violator identifications
   - Reduced traffic violations and accidents
   - Success in increasing and sustaining public support
   - Ensured ongoing program financial viability

2. **High Notice Issuance Rate for Sufficient Revenue to Support the Program**



In spite of the projections suggested by other vendors, most red light programs have low notice issuance rates, usually less than 50 percent. They employ an impressive-looking array of hardware gimmicks, which in reality are technically inferior video technology. We believe a red light system should be designed to: (1) identify the most violations; (2) produce substantial changes in aggressive driving behavior; (3) use the least amount of PD time to administer the program; and (4) pay for itself. Our solution has proven to detect more violations, capture better images and deliver a higher level of prosecutable citations. This result is a successful and self-funding program because:

- Windshield and license plate glare are eliminated with our proprietary filters;
- Advanced imaging technology and exposure controls eliminate dark and unusable images;
- Dual hi-tech cameras produce clear face & rear photos; and
- Out-of-state violators are pursued

We detect more violations due to a simpler and time tested design combined with newer and more advanced controller logic and computing. Our solution increases the rate of issuance of citations with incontestable evidence to the 80% range of images captured, not including emergency vehicles, no DMV match, or vehicles without plates. In N.Y. our confirmed successful violation identification rate is over 80%. This system has been so successful that the City has awarded multi-year contract extensions since 1993.

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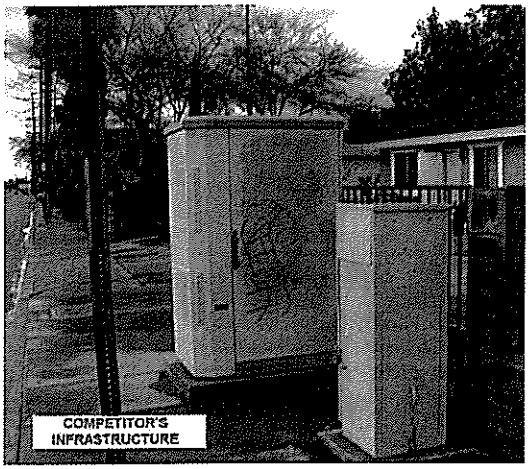
3. KEY DIFFERENCES: Robust System, Small Installation Footprint and Visually Unobtrusive

Our 21st century solid-state technology gives a whole new look at red light technology. We have the smallest intersection "foot print" in the industry we can utilize existing poles and need no pads - our hardware fits inconspicuously into the community landscape, which is not only technically superior, but an important element of public perception.



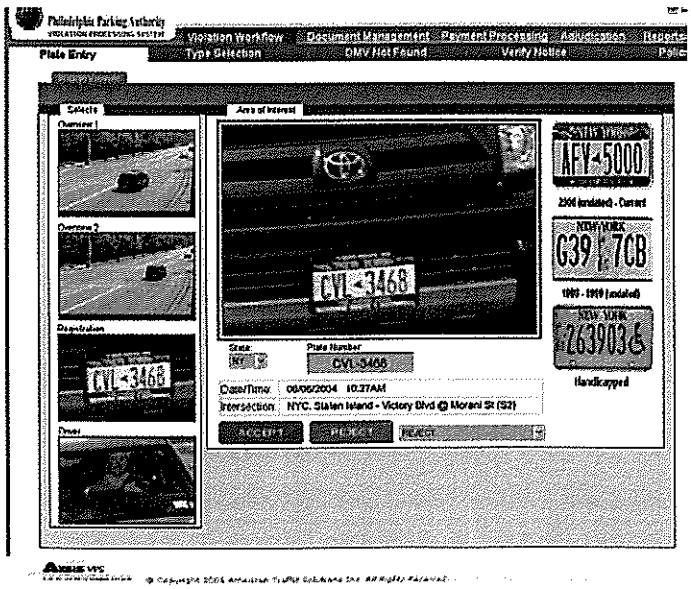
To "sell" a city, most companies have turned to video systems that are impressive appearing but are not needed for processing, and require very visible and conspicuous installations of multiple video cameras, housings, lighting devices, and large housing units (adjacent picture).

These cabinets are filled with multiple, weather sensitive, fragile computers that demand additional conditioning units. These systems also take a long time to configure and need significant maintenance and support. All of these factors lead to increased downtime and high costs, reducing the probability that the data reports are factual.

Note the size of our control unit – (the picture on your left)... that's it! – a small, powerful, solid state system that runs the whole red light camera system (note the small box on the pole in the photo on the previous page – or, with permission can fit into the existing control box).

Our system is faster, quicker to install, and easier to maintain because there are fewer components. The fewer moving parts and elegantly task-specific modules are supported by a robust software operating system.

4. Fully Web-Based Violation Processing



The Axsis[tm] VPS solution is totally Web based and allows the City to access information concerning every aspect of the program including access to all key operational and performance data reports. Violation analysis is quick and simple – PD view in left photo.

The online system enables any authorized City employee to access critical information and operational reports at any time without waiting for the vendor to supply pre-formatted reports.

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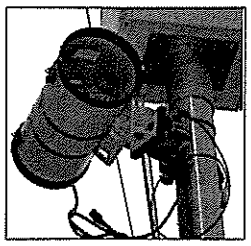
5. Axsis™ VIMS Violation Incident Monitoring System



Do you really need a red light system? ATS developed a proprietary wireless video device called Axsis VIMS – Violation Incident Monitoring System which can be installed in minutes to capture the early red phase of each signalized approach for later review and analysis without the need to review hours and hours of video tape. This device can be moved from intersection to intersection quickly and easily and is used to count the violation volume at target intersections before expensive red light camera construction is started. It also provides the city visual documentation to verify that there was a safety problem at the intersection prior to installation.

6. Fast Implementation

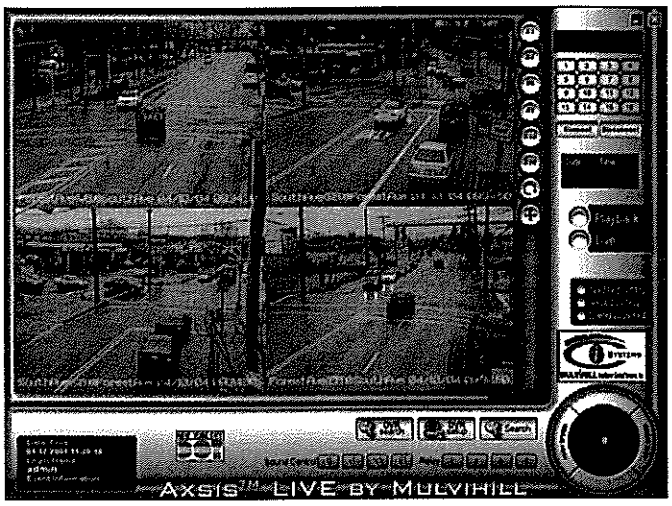
With close cooperation from the planning and permitting department as well as the Court, we can implement the program within 90 days of notice to proceed. Some cameras may be implemented in as few as 45 days. Only this past January, 2005, the Philadelphia Parking Authority gave us notice to proceed on its red light camera program and the program and first six sites were in operation on February 23, 2005.

7. New Generation Red Light Camera Technology Made in USA

The Axsis™ brand of traffic enforcement technologies is made by American Traffic Solutions, Inc., (ATS) in the USA.

The Axsis™ suite of technologies work together to deliver outstanding detection, imaging, and integration with back-office processing - which in turn deliver superior results. The key technologies and hardware we are proposing for this project are:

- **Axsis™ RLC-300 Red Light Camera Systems**—using precision non-invasive detection systems or embedded sensors.
- **Axsis™ Express VPS Violation Processing System** — Web based image review, citation processing, adjudication, payment processing, and reporting system.
- **Axsis™ LIVE (Live Intersection Video Evidence)** –Digital video evidence and observation system for later replay. (Optional – pictured at right)
- **Axsis™ VIMS Violation Incident Monitoring System** –Video-based site selection tool.



8. Seasoned Project Management

ATS/MICS combined qualifications and experience represents the greatest depth and length of direct relevant experience in the Automated Photo Enforcement industry. Our implementation staff has an average of 11 years direct experience.

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9. High Definition Violation Images

ATS provides cities with the highest resolution images in the industry and as a result, your program will produce better safety results and more revenue to cover the program costs.

10. SPECIAL OFFER: ATS Cost-neutral program

Due to the economic issues facing many smaller cities, ATS is offering a limited time special program that will allow your city to provide this safety program without the fear of a budget short fall. Here's how the program works:

- **Perform an Axsis VIMS Intersection evaluation to determine the need for a red light camera program**
- **If the study indicates no need for a program, there will be no cost for the analysis; if results suggest a safety system is needed (from pre-agreed upon violation numbers), the Feasibility Assessment Agreement converts to a cost neutral Professional Services Agreement**
- **Trial-test program: one year, with an option for four additional years with mutual right to phase out of the program each anniversary**
- **The City is guaranteed *no financial loss* – monthly billing will never be more than the income generated by the program, and will never exceed the average per-approach service fee**
- **The City will be aggressive in the collection policy – ATS will work out a collection program if the city prefers**

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10. References

ATS/MICS references will validate our approach, dedication and quality products and sevices.

Client	Project	Description	Completion Date	Reference
City of New York	NYC Red Light Camera Program	75 red light camera installations, 50 active cameras, violation processing and management	On going since 1993	Mr. Steve Galgano, P.E. Executive Director of Engineering NYC Department of Transportation (718) 786-3550 sgalgano@dot.nyc.gov
City of Calgary	Calgary Red Light Camera Program	48 red light camera installations and services 5 digital photo radar units	On going since 2000	Sergeant Clive Marsh Calgary Police Services 403-295-7903
City of Philadelphia	Philadelphia Red Light Camera Program	6 of a total of 16 red light camera installations	Established 2/23/05 On going	Mr. Anthony D'Emilio Director of Red Light Camera Program Philadelphia Parking Authority (215)-683-9527 Email-ad'emilio@philapark.org
Buenos Aires, Argentina	Buenos Aires Traffic Safety Program	2 red light camera installations, 9 photo radar patrol cars and service	On going since 1996	Mr. Pablo Mato + 54-11-4346-5850 Pablo.Mato@siemens-itron.com.ar

11. Professional Services Agreement

As this is a professional services agreement, not a lease or purchase, and as there is no budget item for the city, we believe this program can be offered on a sole-source basis if the city chooses to do so.

12. Summary

ATS/Mulvihill can provide the most technically sound and economically secure red light photo enforcement system available. Our program requires the least intersection equipment in the industry; the most detailed photos; simple to use screens that require a minimum of PD violation analysis time; and modular components that allow individualized treatments to various intersection needs.

We appreciate the opportunity to demonstrate this safe-city program.

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PROFESSIONAL SERVICES AGREEMENT
"AGREEMENT"

[Note: This will be a public document and confidentiality cannot be maintained]

DRAFT

THIS AGREEMENT made this _____ day of _____, 2005 between AMERICAN TRAFFIC SOLUTIONS, INC. (herein "ATS"), a corporation duly registered under the laws of the State of Kansas with its principal place of business at 14861 North Scottsdale Road, Suite 109, Arizona, County of Maricopa, State of Arizona, and City, herein "City", a municipal corporation of the State of _____ with principal offices at _____.

WITNESSETH:

WHEREAS, ATS has the exclusive knowledge, possession and ownership of certain equipment, licenses, and processes, referred to collectively as the " Axsis™ System" (herein " Axsis™), and

WHEREAS, City desires to explore the use of the Axsis™ to monitor red light violations, traffic speed or other traffic movements and to issue citations for traffic violations.

NOW THEREFORE, the parties agree:

1. **DEFINITIONS:**

As used in this Agreement, the following words and terms shall, unless the context otherwise requires, have the respective meanings provided below:

"Citation" means a citation issued by a competent state or municipal law enforcement agent or agency or by a court of competent jurisdiction relating to a violation documented or evidenced by Axsis™.

"Person" or **"persons"** means any individual, partnership, joint venture, corporation, trust, unincorporated association, governmental authority or political subdivision thereof or any other form of entity.

"Dual Stationary Camera System" means a photo-traffic monitoring device consisting of frontal and rear camera(s), where needed, and a traffic monitoring device capable of accurately detecting a traffic infraction and which records such data on at least two images of such vehicle and a single image of the driver of the vehicle. Dual Stationary Camera System shall, where the sense requires, also include any enclosure or cabinet in which the Axsis™ is stationed.

"Approach" is defined as one direction of travel of one or more lane on a road or a traffic intersection.

"Violation" means failure to obey an applicable traffic law or regulations, including, without limitation, failure to obey a traffic signal, operating a motor vehicle in excess of the posted speed limit, and operating a motor vehicle without displaying a valid license plate.

"Operational Time" means the actual time that a Stationary Camera System is monitoring traffic.

2. **ATS AGREES TO PROVIDE:**

The scope of work identified in Exhibit A.

3. **City AGREES TO PROVIDE:**

The scope of work identified in Exhibit B.

4. **TERM, BETA-TEST AND TERMINATION:**

a. The term of this Agreement shall be for three (3) years beginning on the date of first issued and payable notice of a violation (the "Start Date") and shall automatically be extended for an additional two (2) year period on the anniversary of the "Start Date" (the date the site begins writing official citations), unless the City shall notify ATS in writing, at least sixty (60) days prior to the anniversary of the Start Date, of its intention to terminate this Agreement.

The Contractor's services may be terminated:

By mutual consent of the parties; or

For cause, by either party where the other party fails in any material way to perform its obligations under this Agreement. Termination under this subsection is subject to the condition that the terminating party notifies the other party of its intent to terminate, stating with reasonable specificity the grounds therefor, and the other party fails to cure the default within forty-five (45) days after receiving notice.

b. First year beta-test terms: On the first anniversary of the Start Date (the "Anniversary Date"), either party shall have the option to terminate this Agreement. The option to terminate shall expire except as otherwise provided herein.

c. Upon termination of this Agreement, either for breach or because it has reached the end of its term, the parties recognize that the City will have to process traffic law violations in the "pipeline," and that ATS accordingly must assist the City in this regard. Accordingly, the parties shall take the following actions, and shall have the following obligations, which survive termination during the wind-down period: The City shall cease using Axsis™, shall assist ATS to reacquire all equipment within a reasonable time not to exceed 30 days, and shall not generate further images to be processed. Unless directed by the City not to do so, ATS shall continue to process all images taken by the City before termination and provide all services associated with processing in accordance with this Agreement, and shall be entitled to all Fees specified in the Agreement as if the Agreement were still in effect.

5. **FEES AND PAYMENT:**

City shall pay for all equipment, services and maintenance based on the pricing indicated in Exhibit C, ("Fees").

On or before the 10th day of each month, the City shall pay all fees due ATS based upon invoices received from ATS from the proceeding month. Late payments are subject to interest calculated at 1.5% per month on open balances.

a. During the beta-test year, ATS will warrant that the City will have no financial loss with respect to fees paid to ATS. The fixed service fee will be adjusted monthly if project revenues (collected) do not cover the ATS the fixed service fee. However, If ATS has reduced its fees in any month(s) during the first year; in as much as the Court will at times pay cities a lump

sum covering two or more months of paid revenue, ATS shall be entitled to receive the sum of the actual earnings as a *true up* at the end of the first year if the program revenue collected for the first year meets or exceeds the non-discounted total ATS contracted fees for the year.

6. **MATERIALMAN LIENS:**

In the event ATS fails or neglects to pay for any product installation, maintenance or other obligations incurred under this Agreement and a demand or request is made on the City for payment, the City shall have the right to make such payments and deduct the sum from any amount that may be due to ATS, following written notification to ATS, with a reasonable opportunity for ATS to correct or defend the alleged failure to pay. The City's decision to take such action in one situation shall not create an obligation on the part of the City to take similar action in another situation, nor shall it constitute a waiver of the City's right to prosecute any other legal remedy it may have against ATS.

7. **COMMUNICATION OF INFORMATION:**

ATS agrees that all information obtained by ATS through operation of the Axsis™ shall be made available to the City at any time during ATS's normal working hours, excluding trade secrets and other confidential or proprietary information not reasonably necessary for the prosecution of citations or the fulfillment of City's obligation under this Agreement.

8. **CONFIDENTIAL INFORMATION:**

No information given by ATS to City will be of a confidential nature, unless specifically designated in writing as proprietary and confidential by ATS. Provided, however, nothing in this paragraph shall be construed contrary to the terms and provisions of any "Open Records Act" or similar laws, insofar as they may be applicable. ATS shall not use any information acquired by this program with respect to any violations or the City's law enforcement activities for any purpose other than the program.

9. OWNERSHIP OF SYSTEM

It is understood by the City that the System being installed by ATS is, and shall remain, the sole property of ATS, unless separately procured from ATS. The System is being provided to City only under the terms and for the term of this Agreement.

10. INDEMNIFICATION AND INSURANCE:

ATS shall at all times comply with all federal, state and local laws, ordinances and regulations and shall comply with the maintenance procedures and manufacturer recommendations for operation of the Axsis™ equipment which affect this Agreement, and shall indemnify and save harmless the City against any claims arising from the violation of any such laws, ordinances and regulations or any claims arising from the violations of the maintenance procedures and manufacturer recommendations for operation of the equipment as a result of the negligence of willful misconduct of ATS, its officers and directors, agents, attorneys, and employees, but excluding any employees or agents of City.

ATS shall maintain the following minimum scope and limits of insurance:

1) Commercial General Liability Insurance including coverage for bodily injury, property damage, premises and operations, products/completed operations, personal and advertising injury, and contractual liability with a combined single limit of $1,000,000 per occurrence. Such insurance shall include the City, its officers, directors, employees, and elected officials as additional insured's for liability arising from ATS's operation.

2) Workers Compensation as required by applicable state law, and Employers' Liability insurance with limits of not less than $1,000,000 each accident; ATS shall at all times maintain worker's compensation insurance coverage in the amounts required by law, but shall not be required to provide such coverage for any actual or statutory employee of City.

3) Comprehensive Business Automobile Liability Insurance for all owned, non-owned and hired automobiles and other vehicles used by ATS with a minimum $1,000,000 per occurrence combined single limit bodily injury and property damage.

The City and its officers and employees, shall be named as additional insured on the comprehensive general liability policies provided by ATS under this Agreement. ATS shall require any subcontractors doing work under this Agreement to provide and maintain the same insurance, which insurance shall also name the City and its officers, employees, and authorized volunteers.

Certificates showing ATS is carrying the above described insurance, and evidencing the additional insured status specified above, shall be furnished to the City within thirty calendar days after the date on which this Agreement is made. Such certificates shall show that the City shall be notified of all cancellations of such insurance policies. ATS shall forthwith obtain substitute insurance in the event of a cancellation.

Inasmuch as the City is a body politic and corporate, the laws from which City derives its powers, insofar as the same law regulates the objects for which, or manner in which, or the concerns under which, the City may enter into this Agreement, shall be controlling and shall be incorporated by reference into this Agreement. The City shall be responsible for vehicle insurance coverage on any vehicles driven by City employees. Coverage will include liability and collision damage.

11. CORRESPONDENCE BETWEEN PARTIES:

All notices required to be given under this Agreement shall be deemed given when mailed by first class mail, addressed to the proper party to the address set forth on the first page of this Agreement.

12. STATE LAW TO APPLY:

This Agreement shall be construed under and in accordance with the laws of the State of California.

13. DISPUTE RESOLUTION

All disputes arising out of or in connection with the Agreement shall be attempted to be settled through good-faith negotiation between senior management of both parties, followed if necessary within thirty (30) days by professionally-assisted mediation. Any mediator so designated must be acceptable to each party. The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the dispute. The mediation will be treated as a settlement discussion and therefore will be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. No recording or transcript shall be made of the mediation proceedings. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

a. Failing resolution through negotiation or mediation, any remaining dispute shall be submitted to binding arbitration in accordance with the Arbitration Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association ("AAA Rules") before a single arbitrator. The place of arbitration will be Riverside County, California. Limited discovery will be permitted in connection with the arbitration upon agreement of the parties or upon a showing of substantial need by the party seeking discovery. The arbitrator's decision shall follow the plain and natural meaning of the relevant documents, and shall be final and binding. The arbitrator will have no power to award (i) damages inconsistent with the Agreement or (ii) punitive damages or any other damages not measured by the prevailing party's actual damages, and the parties expressly waive their right to obtain such damages in arbitration or in

Deleted: San Bernardino

any other forum. All aspects of the arbitration will be confidential. Neither the parties nor the arbitrator may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Each party will promptly pay its share of all arbitration fees and costs, provided that such fees and costs shall be recoverable by the prevailing party as determined by the arbitrator. If a party fails to pay such share promptly upon demand, the arbitrator shall, upon written request by the other party, enter a final and binding decision against the nonpaying party for the full amount of such share, together with an award of attorney's fees and costs incurred by the other party in obtaining such decision, which decision may be entered in any court of competent jurisdiction. Except for the failure of a party to pay arbitration fees and costs that requires resort to the arbitrator to order such payment, the parties will bear their own attorneys' fees in any matter or dispute under this Agreement.

14. ADDITIONAL SERVICES

Additional systems and services may be added to this agreement by mutual consent of the parties in writing as an addendum to this agreement. All other terms and conditions shall remain the same.

15. LEGAL CONSTRUCTION:

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as of such invalid, illegal, or unenforceable provision had not been contained herein.

16. PRIOR AGREEMENT SUSPENDED:

This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understanding, written or oral, between the parties respecting the written subject matter.

17. AMENDMENT:

No amendments, modifications, or alterations of the terms hereof shall be binding unless he same be in writing, dated subsequent to the date of this Agreement and duly executed by the parties.

18. NO AGENCY:

ATS is an independent contractor providing services to the City and the employees, agents and servants of ATS shall in no event be considered to be the employees, agents, or servants of the City. This contract is not intended to create an agency relationship between ATS and the City.

19. TAXES

In the event that any excise, sales or other taxes are due relating to this service contract, the City will be responsible for the payment of such taxes.

20. NOTICES

Any notices or demand which under the terms of this Agreement or under any statute must or may be given or made by ATS or City shall be in writing and shall be given or made by personal service, telegram, first class mail, FedEx, or by certified or registered mail to the parties at the following address:

City Name	American Traffic Solutions, Inc.
Address	14861 N. Scottsdale Rd, Suite 109
City, State Zip	Scottsdale, AZ 85254

21. DRUG-FREE WORKPLACE

ATS hereby certifies that:

A drug-free workplace will be provided for ATS employees during the performance of this Agreement; and

This Agreement may be suspended, terminated, or debarred if it is determined that ATS has made false certification herein above; or ATS has violated such certification by failure to carry out any requirements as outlined within this Article.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date accepted by the City.

AMERICAN TRAFFIC SOLUTIONS, INC.

_____

James D. Tuton, President

STATE OF)
)SS.
COUNTY OF)

On this _____ day of _____, 2005, personally appeared before me James D. Tuton, who being by me duly sworn did say that he is President for AMERICAN TRAFFIC SOLUTIONS, INC., an Arizona corporation, and that the foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and acknowledged to me that said corporation executed the same.

_____

NOTARY PUBLIC

My Commission Expires:

City

_____

Mayor

ATTEST:

_____

Recorder

Exhibit A
ATS SCOPE OF WORK

a) Axsis™ RLC-300 Red Light Stationary Camera Systems in the quantities indicated on Exhibit D;
   i) ATS shall install the Dual Stationary Camera System at all the locations described in the document attached hereto as Exhibit D. In addition to the locations described in Exhibit D, the parties may agree from time to time to add, subtract or modify locations where the System shall be installed and maintained. A Dual Stationary Camera System installed at a location shall be in operation for a minimum of one year at that location, unless the parties agree otherwise in writing.
   ii) Each Dual Stationary Camera System shall operate on a 24-hour basis, barring downtime for maintenance.

b) An automated web-based citation processing program (Axsis™ VPS) including image processing, mailing of a citation with color images, printing and mailing costs. The program shall be conducted in a timely manner to comply with any applicable statute of limitation for filing citations. Each citation shall be delivered by First Class mail to the registered owner within the statutory period. Subsequent notices may be delivered by First Class or Certified Mail (return receipt requested) or by process servers for additional compensation to ATS as agreed by the parties.

c) ATS will transmit an electronic file to the City with periodic updates of all citation notices issued, and will update the status of all accounts based on disposition information provided by the City, indicating payments received or cases otherwise closed, dismissed or resolved.

d) In-state vehicle registration information necessary to issue citations resulting from the Axsis™ assuming ATS is named as an agent and the State provides registration data at no cost to the City for ATS.

e) To the City prosecutor/hearing officer, one Evidence Package, typically including a set of images with related documentation for each citation issued;

f) Necessary training for persons person designated by the City;

g) Expert witness as reasonably necessary to establish judicial notice, i.e. the accuracy, technical operations, and effectiveness of the Axsis™ for contested citations. After

establishment of judicial notice, the City may request the presence of an expert witnesses. Expert witness fees will be billed to the City on a time and expense basis;

h) ATS shall submit to City a monthly report of Axsis™ results within fifteen business days of the end of each calendar month. The report shall include the following information:

   i. Total number of violation events.

   ii. Total number of actionable violation events.

   iii. Total number of citations sent.

   iv. Total citations paid.

   iv. Performance Statistics by Location.

j. Such reports of ongoing operations as are required pursuant to Subparagraph i, above, or such other reports and documents as are mutually agreed upon between ATS and the City.

k. Routine maintenance and cleaning of Dual Stationary Camera Systems.

Formatted: Bullets and Numbering

l. ATS agrees to commence the installation of the Systems within 14 days after all aforementioned permits have been approved (the date all permits are approved shall hereinafter be referred to as the "Approval Date"). The Approval Date shall be marked by the issuance of a signed writing from ATS to City, stating that all permits have been approved.

m. ATS agrees to have all installation work completed and have the Systems fully operational no later than 120 days from the Approval Date.

n. Where and when possible, ATS agrees to use existing street furniture, poles, available conduit and existing power for the purposes of installing and operating the Systems.

o. The time schedule may be extended by reason of delay, changes, additions, deletions, or other reasons if approved by the City in writing, or without written approval by the City if the delay is caused by an event of Force Majeure.

Exhibit B
City Scope of Work

a. The City agrees to make court appearances regarding standard violation court challenges.

b. The City will carefully review each potential violation to determine in its sole authority which violations will be issued as citations. Axsis™ will apply an electronic signature to each approved citation.

c. The City or County will provide a judge or hearing officer and court facilities to schedule and hear disputed citations;

d. The City agrees to make reasonable efforts to prosecute each citation filed, and provide customary fine collection services for all final dispositions. Additionally, City agrees to pursue registration suspensions or other legal and customary means necessary to compel payment of outstanding notices.

e. The City will assist in working with the Court in setting up the transmiting of an electronic file to ATS with daily updates of all citation disposition information provided by the City indicating payments received or cases otherwise closed, dismissed or resolved.

f. City will provide a project manager with authority to execute City responsibilities under the Agreement.

g. City departments shall cooperate with ATS with respect to required systems integration and program implementation[What does this mean?]

h. The City agrees to use due diligence in working with ATS to acquire in a timely manner the necessary permits (e.g., but not limited to, an encroachment permit), approvals and other necessary documentation, from the City (and the State, if necessary) to enable the Axsis™ installation after the submission of the plans.

i. City shall provide permits at no cost to ATS.

j. City shall provide power and access to traffic signal phase connections to a pull box, pole base, or controller cabinet nearest to each Stationary Camera.

k. In those instances where damage to the Stationary Camera Systems or sensors is caused by a third party working for the City or by the City or authorized agent due to scheduled or unscheduled road construction or repair, ATS will provide an

estimate of the cost of repair. Upon authorization to proceed with the repairs or replacement, ATS shall replace or repair any damaged equipment and invoice for pre-approved repair cost.

l. The City shall provide a letter for the Violation Processing subcontractor to use with the Department of Motor Vehicles indicating that the ATS is acting as an Agent of the City for the purposes of accessing vehicle ownership data pursuant to the list of permissible uses delineated in the Drivers Privacy Protection Act 18 U.S.C. § 2721, Section (b) (1).

Exhibit C

Service Fees

The City agrees to pay ATS a monthly Service Fee for those selected services itemized below:

Monthly Service Fee per Approach

Cost Element	Monthly fee
☐ Axsis RLC-300 Red Light Camera System monitoring front and rear images up to 4 lanes, image processing, data entry, California registered owner acquisition, final quality control review, access to web-based Axsis VPS for Police Review, 1st notice printing in color, postage and mailing, electronic notice file transmission to court system, evidence packages for scheduled hearings.	$4,990
☐ Option A – Axsis LIVE digital video system for monitoring up to 4 directions of travel at one intersection. Digital video will be internet accessible for remote police and court viewing.	$295
Sub total	
Other Services	
☐ Option C – Axsis E-Payment Portal for Electronic and Phone-based IVR payments – online access convenience fee charged to user.	$0
☐ Option D – Identifying out-of-state registered owners and mailing violation notices: $3.00 per mailed citation except for AZ and NJ which is $7.00 (State access charges billed monthly.	
TOTAL MONTHLY SERVICE FEE	

If a camera system is no longer generating adequate violations to cover the service fee, the ATS will consult with the City to determine an alternative location. The fee to move a camera from one location to another without mutual agreement is $25,000.

The above Service Fees are maximum fees. In no case shall monthly fees exceed fines collected by the City.

Exhibit D

Initial Camera Locations
Stationary Camera Systems

An Approach is defined as one direction of travel of one or more lane on a road or a traffic intersection.

The sites where the Dual Stationary Camera Systems will be installed were selected after a careful analysis by the City Police, or the Traffic Engineering Department, or both, and ATS engineers. Based on that analysis, the City and ATS has determined that each of these intersections have a high incidence of intersection collisions, there is an extreme difficulty in identifying violators, and that other traffic light changes/modifications would be ineffective in resolving these problems. Accordingly, the City determined that photo enforcement was the best solution to the dangers posed by these intersections.

The City approves that ATS install Dual Stationary Camera Systems at the following intersection(s) and to monitor the identified lanes:

Camera Location or Intersection Approach	Straight Through Lane	Left Turn Lane	Right Turn Lane

DANGEROUS INTERSECTION ANALYSIS

Service Agreement

WHEREAS the City of _____ (City) believes that a red light running problem exists as a number of high traffic intersections; and

WHEREAS the City believes that this condition contributes to a public safety problem and a negative quality of life for its citizens, NOW THEREFORE:

The City hereby contracts with American Traffic Solutions, Inc. (ATS) to provide technical assistance to determine if intersections selected by the City for evaluation are dangerous to the citizens due to the numbers of red light violators.

For this analysis, ATS will provide the city with its **Axsis™ VIMS (Violation Incident Monitoring System)** and the technical assistance for use and analysis. VIMS should be installed at each selected approach for a 24 hour period, or longer. The VIMS system will record the beginning period of each red light signal phase and capture video images of potential violations in that sequence. The images are not of a quality to read license plates. Use of VIMS avoids the need to evaluate 24 hours of video tape and trying to identify red light, which is difficult with a standard video unit. VIMS provides the City numerical and visual documentation to verify if a safety problem exists at the intersection(s).

The intersection approaches to be analyzed are indicated on Exhibit 1 of the Agreement.

A finding of at least _____ (___) violations per day shall indicate that the City finds the intersection *"Dangerous"*

RESULTS DISPOSITION:

A. If the analysis of the intersections does not indicate a red light running problem, there shall be no charge for the service;

B. If the analysis indicates that the intersections are Dangerous, the City agrees that a red light enforcement system should be employed and that the city shall work with ATS to implement a program and there shall be no charge for the VIMS analysis; or

C. If the city elects not to set up a red light enforcement system with ATS, even though the data indicates that the intersections are Dangerous, the City shall pay ATS $500 per day for the days the use of the VIMS system.

Agreed to this ___ day of _____, 2005, between:

CITY OF _____,

Address
City, State, Zip

BY:_____
City Manager

American Traffic Solutions, Inc.

14861 N. Scottsdale Road, Ste 109
Scottsdale, AZ 85254

BY: _____
William Kroske, Vice President

ATTEST:

BY:_____
City Clerk

Exhibit 1

Intersection and approach to be evaluated

Intersection and Approach	Through Lane	Left Turn Lane	Right Turn Lane