

**FIRST AMENDMENT
TO PROFESSIONAL SERVICES AGREEMENT**

This First Amendment ("First Amendment ") is dated effective this 6th day of May, 2014 and is entered into between American Traffic Solutions, Inc. ("ATS"), a corporation duly registered under the laws of the State of Kansas with its principal place of business at 1330 West Southern Avenue, Tempe, Arizona 85282 and the City of Covina ("City"), a municipal corporation of the State of California.

RECITALS

WHEREAS, on September 28, 2006, the City and ATS entered into a Professional Services Agreement for the City's use of the Axis™ System to enforce traffic violations (the "Agreement"); and

WHEREAS, section 17 of the Agreement requires any amendments, modifications, or alterations of the Agreement to be in writing and duly executed by the parties; and

WHEREAS, the City and ATS mutually desire to amend, modify or alter certain terms and conditions of the Agreement.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this First Amendment, the City and ATS do hereby agree as set forth below:

1. The above recitals are true and correct and are incorporated herein.
2. Schedule 1 is hereby deleted in its entirety and replaced with the following:

The Customer agrees to pay ATS the Fee(s) as itemized below:

<u>Service Fee Description</u>	<u>Monthly Unit Price</u>
CV01: NB Azusa Ave @ Cypress Street	\$2,200.00
CV02 NB Barranca Ave @ Rowland Street	\$2,200.00
CV03 EB Rowland Street @ Barranca Ave	\$2,200.00
CV04: WB Rowland Street @ Barranca Ave	\$2,200.00
CV05: NB Grand Ave @ Badillo Street	\$2,200.00
CV06: SB Grand Ave @ Badillo Street	\$2,200.00
CV07: EB Badillo Street @ Grand Ave	\$2,200.00
Live Video 1	\$195.00
Live Video 2	\$295.00
Live Video 3	\$295.00

Service Fee for each Approach includes Axis RLC-300 Red Light Camera System monitoring front and rear images, image processing, data entry, In State registered owner acquisition, final quality control review, access to web-based Axis VPS for Police Review, 1" notice printing in color, postage and mailing, electronic notice file transmission to court system, evidence packages for scheduled hearings.

3. Except as expressly amended or modified by the terms of this Amendment, all terms of the Agreement shall remain in full force and effect, including, but not limited to the termination date of the Second Extension Expiration of April 15, 2016, identified in the original agreement. In the event of a conflict between the terms of this Amendment and the Agreement, the terms of this Amendment shall prevail and control.

4. The provisions of this Amendment, including the recitals, comprise all of the terms, conditions, agreements, and representations of the parties with respect to the subject matter hereof. All representations and promises made by any party to another, whether in writing or orally, concerning the subject matter of this Amendment are merged into this Amendment.

5. This Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument. Each party represents and warrants that the representative signing this Amendment on its behalf has all right and authority to bind and commit that party to the terms and conditions of this Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment.

{SIGNATURES ON FOLLOWING PAGE}

CITY OF COVINA, CALIFORNIA

By: Peggy Dell May 6, 2014
Mayor or City Manager Date

ATTEST:
By: Allen M. Salinas May 13, 2014
City Clerk Date

AMERICAN TRAFFIC SOLUTIONS, INC.

By: AA 5/19/14
Adam E. Tuton, Executive Vice President Date

By: George J. Hittner 5/19/14
George J. Hittner, Secretary Date

APPROVED AS TO FORM

By: J. N. T. T. May 13, 2014
City Attorney Date