reca well dated 7.28.09

FIRST AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF MARYSVILLE AND REDFLEX TRAFFIC SYSTEMS, INC., FOR AUTOMATED RED LIGHT PHOTO ENFORCEMENT CAMERAS

This First Amendment ("Amendment") to that December 21, 2004, Agreement Between the City of Marysville and Redflex Traffic Systems, Inc., for Automated Red Light Photo Enforcement Cameras ("Agreement"), is made and entered into this 21stday of July _____, 2009 by and between Redflex Traffic Systems, Inc., a California corporation with offices at 6047 Bristol Parkway, Culver City, California 90230 ("Redflex"), and the City of Marysville, a municipal corporation and charter city, with offices at 526 C Street, Marysville, California 95901 ("Customer"). Redflex and Customer shall herein be referred to individually as "Party" and collectively as "Parties."

RECITALS

WHEREAS, on December 21, 2004, Redflex and Customer entered into the Agreement for the provision of an automated red light photo enforcement camera system, including certain equipment, processes, and back office services, so that the Customer would be able to monitor, identify, and enforce red light running violations; and

WHEREAS, the Agreement's term is for a period of five (5) years after the Installation Date, as defined in the Agreement, with an option for the Customer to extend such term. Based on the Agreement's definition, the Installation Date is May 25, 2005; and

WHEREAS, the Parties wish to install additional automated red light photo enforcement cameras; and

WHEREAS, in the interest of public safety, the Parties wish to implement additional provisions concerning non-essential automated red light photo enforcement cameras.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and subject to the terms, conditions and provisions hereof, the Parties agree as follows:

AGREEMENT

SECTION 1. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Amendment as if set forth in full.

SECTION 2. Section 2 of the Agreement is hereby deleted in its entirety and replaced as follows:

<u>TERM.</u> The term of this Agreement is from May 25, 2005 (the Installation Date), to May 25, 2010 (the "Initial Term"). Should Redflex install the Redflex System at the following three additional Intersection Approaches (collectively, "Additional Intersection Approaches")—

- (1) 12th Street and B Street (Southbound);
- (2) 9th Street and E Street (Northbound);
- (3) 9th Street and B Street (Eastbound)—

then the term of this Agreement shall be extended for a period of five (5) years from the date all Additional Intersection Approaches are operational for the purpose of functioning with the Redlight Photo Enforcement Program (the "Extension Term").

The Customer shall have the right, but not the obligation, to extend the term of this Agreement for up to two (2) additional, consecutive two (2) year periods following the expiration of the Initial Term or the Extension Term, as the case may be (each, a "Renewal Term" and collectively with the Initial Term or Extension Term, the "Term"). The Customer may exercise the right to extend the term of this Agreement for a Renewal Term by providing written notice to Redflex not less than thirty (30) days prior to the last day of the Initial Term, Extension Term, or the Renewal Term, as the case may be.

SECTION 3. The first paragraph of Exhibit "A" of the Agreement is hereby deleted in its entirety and replaced as follows:

The Agreement is for the implementation of up to 10 approaches with the option for a second phase to include up to an additional 7 intersections and 15 approaches. Intersections will be determined by mutual agreement between the Customer and Redflex based on intersection collision history, average daily traffic volumes and other pertinent safety factors.

SECTION 4. The first paragraph of Exhibit "D" of the Agreement is hereby deleted in its entirety and replaced as follows:

Existing Approach Cameras (4 existing)	\$5,700.00 per system per month
New Approaches Camera (up to 11 additional)	\$6,000.00 per system per month
Plate Scan installed to Photo Red Light Enforced approaches: covers two contiguous lanes at each approach. (optional)	Up to four \$677.00 per system per month. Additional systems \$507.00
ICPS installed to Photo Red Light Enforced (optional) (six months to installation date from notice to proceed)	\$250.00 per system per month all inclusive

SECTION 5. All other terms and conditions of the Agreement not amended by this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the day and year first set forth above.

"Customer"

CITY OF MARYSVILLE

Name: Stephen Casey

Title: City Manager

APPROVED AS TO FORM:

City Attorney

"Redflex"

REDFLEX,TRAFFIC SYSTEMS, INC.,

Name: Aaron Rosenberg, PhD

Title: Executive Vice President