

## **PROFESSIONAL SERVICES AGREEMENT**

### **REFLEX TRAFFIC SYSTEM, INC.**

**THIS AGREEMENT** is made this 13 day of February, 2007, by the CITY OF GARDEN GROVE, a municipal corporation, ("CITY"), and Reflex Traffic System, Inc., a Delaware corporation, ("SERVICE PROVIDER")

### **RECITALS**

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove City Council authorization.
2. CITY desires to utilize the services of SERVICE PROVIDER to furnish all equipment, licenses, applications and back office processor related to the SMARTCAM digital red light traffic enforcement cameras for monitoring and enforcement of red-light running violations at up to 25 approaches within the City of Garden Grove.
3. SERVICE PROVIDER is qualified by virtue of experience, training, education and expertise to accomplish services.

### **AGREEMENT**

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement.** The term of this agreement shall be for a period of three (3) years commencing upon the date of execution of the agreement.
  - a) Following expiration of the original term as described above, the Agreement shall be automatically extended for two (2) additional one (1) year terms, (from the date of execution), unless either party provides sixty (60) day notification prior to expiration of any such term, or unless the parties do not agree as to compensation pursuant to Section 3.1 below.
2. **Services to be Provided.** The services to be performed by SERVICE PROVIDER shall consist of the following: install, maintain, and administer red-light traffic surveillance system, as more particularly set forth in Exhibit "A" and "C" attached and incorporated herein by reference.
3. **Compensation.** For work under this Agreement, payment shall be made per monthly invoice. It is specifically understood by the parties hereto that the monthly fee covers any and all upgrades and replacements to any existing and future systems. It is also specifically understood by the parties that the intersection of Brookhurst Street and Westminster Avenue will be upgraded to add coverage for left-turn lanes in North/South approaches at no cost to

City, and that monthly payments for this intersection shall remain \$2,900, as adjusted in the "Business Assumptions for All Pricing Options" section set forth in Exhibit "A".

3.1 Compensation shall be made per fixed monthly fee as follows:

A monthly fee of \$2900.00 for each of the functioning fourteen (14) existing approaches, as identified in Exhibit D.

A monthly fee of \$6030.00 per each functioning approach added to the system during the first thirty-six (36) months after the date of execution, but the monthly fee for each such approach shall not commence until the date that such Designated Intersection Approach is first determined to have a functioning approach and be operational in accordance with Section 3.2 of the agreement. Beginning 36 months after the date of execution of this Agreement, the monthly fee shall be determined and mutually agreed by both parties. If the parties do not agree to the monthly fee to apply after the 36<sup>th</sup> month, the Agreement shall not be automatically extended.

3.2 A system shall be deemed to have a functioning approach and be operational for purposes of this agreement when the Garden Grove Police Department and the Project Manager determines that the system is then issuing citations under the California Motor Vehicle code without defect and malfunction and has delivered a final acceptance form for a particular functioning approach. In the event a system is not deemed by the Garden Grove Police Department to have a functioning approach or is not operational for a part of a month for part of a month the monthly fee for such a month the fee shall be prorated based upon a thirty-day month.

3.3 It shall be the sole responsibility of the City Project Manager to determine the start of the thirty-day (30) warning period of a new installation so that the start of issuances of valid citations shall begin at or as close to the first of a month as possible. If the installation is installed mid-month the City and SERVICE PROVIDER may mutually agree upon the start of the warning period and prorate the monthly fee described in section 3.1 of this agreement.

3.4 If equipment is relocated or removed by mutual consent the SERVICE PROVIDER shall be solely responsible for restoring the street, sidewalk and/or any other appurtenance back to its original state. If the City directs the SERVICE PROVIDER to remove, relocate and/or replace without mutual consent between the SERVICE PROVIDER and CITY and absent any