

Rec'd 1-23-12

**THIRD AMENDMENT TO THE AGREEMENT BETWEEN
THE CITY OF LAGUNA WOODS AND REDFLEX TRAFFIC SYSTEMS, INC.
FOR AUTOMATED RED LIGHT PHOTO ENFORCMENT SYSTEMS**

This Third Amendment ("Third Amendment") to the Agreement for Red Light Photo Enforcement Program ("Agreement") dated July 11, 2005, shall become effective as of January 1, 2012.

RECITALS

WHEREAS, Redflex has exclusive knowledge, possession and ownership of certain equipment, licenses, applications, and citation processes related to digital photo red light enforcement systems; and

WHEREAS, the City desires to continue to engage the services of Redflex to provide certain equipment, processes and back office services so that authorized staff of the City are able to monitor, identify and enforce red light running violations; and

WHEREAS, it is a mutual objective of both Redflex and the City to reduce the incidence of vehicle collisions at the traffic intersections and city streets that will continue to be monitored pursuant to the terms of the Agreement as expressly modified herein; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration received, the receipt and sufficiency of which are hereby acknowledged, the Parties amend the Agreement as follows:

AMENDED TERMS AND CONDITIONS

1. Extension of Term. The term of the Agreement shall be extended for an additional eighteen (18) months through June 30, 2013. The City shall have the right, but not the obligation, to extend the term of this Agreement for up to one (1) additional twelve (12) month period following the expiration of the Initial Term (a "Renewal Term" and collectively with the Initial Term, the "Term"). The City may exercise the right to extend 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.

2. Paragraph 6. Termination, shall be amended as follows:

6.1.1. Termination for Convenience. The Customer shall have the right to terminate this Agreement on or any time after July 1, 2012, provided that Customer has provided no less than forty five (45) days written notice prior to the termination date. Such Termination for Convenience may be with or without cause in Customer's sole discretion. Such Termination for Convenience shall be without penalty to the Customer, or any liability whatsoever, except both parties shall comply with the provisions of Paragraph 6.2, Procedures Upon Termination, and Paragraph 6.3, Survival."

3. Paragraph 5 to Exhibit "C" is stricken in its entirety.

4. Exhibit "D" - "Compensation & Pricing" of the Agreement is replaced in its entirety with the attached revised Exhibit "D", which includes no change to the services provided by Redflex.

5. All other provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Third Amendment as set forth below.

CITY OF LAGUNA WOODS

REDFLEX TRAFFIC SYSTEMS, INC.:

By: Leslie A. Keane 12/7/11
Date
City Manager

By: Karen Finley Sean Niden 11-22-11
Date
~~President and CEO CFO~~

ATTEST:

By: Yolie Trippy 12-7-11
Date
Deputy City Clerk

APPROVED AS TO FORM:

By: David B. Cosgrove 12.7.11
Date
City Attorney

EXHIBIT D
Compensation and Pricing

1. Redflex shall provide City with continued full turnkey automated red light photo enforcement system, to include the capture and processing of all red light violations, including right turn violations, within range of the cameras at the following five intersection approaches:
 - a. El Toro Road Westbound at Moulton Parkway
 - b. El Toro Road Eastbound at Moulton Parkway
 - c. Moulton Parkway Southbound at El Toro Road
 - d. Moulton Parkway Southbound at Gate 12
 - e. Moulton Parkway Northbound at Gate 12

2. Regardless of the number of citations that may be issued, or the outcome of same in terms of convictions, penalties, or revenues which may be received by or allocable to City, effective 1 January 2012, compensation shall be in the form of a fixed fee of \$3,000.00 per month per intersection approach, continuing until contract expiration or termination, in accordance with the provisions as set forth herein. Redflex shall invoice the City monthly as of the last date of the month. City shall have 90 days to pay such invoices.

3. In the event that a system is disabled for equipment failure or malfunction for more than 24 hours, the monthly fee for that system will be reduced to the number of days operational and a prorated fee will apply for that system. However, in the instance of a system disabled for more than 48 hours due to a knockdown, the monthly fee will be prorated after 48 hours. If a system is disabled during a weekend, the monthly fee will be prorated after 48 hours.”

4. Redflex Construction will be able to utilize existing conduit for installation where space is available. Where it is determined by both parties that additional conduit is necessary, the cost shall be borne by Redflex; however, the City shall provide the necessary encroachment permits at no cost.