

AMENDMENT TO EXCLUSIVE AGREEMENT BETWEEN THE CITY OF RANCHO CORDOVA  
AND REDFLEX TRAFFIC SYSTEMS, INC. FOR  
PHOTO RED LIGHT ENFORCEMENT PROGRAM

This Amendment (the "Amendment") is this 12 day of March, 2015 (the "Effective Date") by and between Redflex Traffic Systems, Inc. ("Redflex") and the City of Rancho Cordova, California (the "City" or the "Customer") (individually the "Party" and collectively referred to as the "Parties").

**RECITALS**

1. The Parties executed the Exclusive Agreement between the City of Rancho Cordova and Redflex Traffic Systems, Inc. for Photo Red Light Enforcement Program on February 9, 2011 (the "Agreement"); and
2. The Parties desire to extend the Term of the Agreement, add new Designated Intersection Approaches and amend the Agreement's pricing provisions

**NOW THEREFORE**, in consideration of the mutual covenants contained in this Amendment, and for other valuable consideration received, the Parties amend the Agreement as follows:

**TERMS AND CONDITIONS**

- A. **Designated Intersection Approaches.** The Parties agree install additional Redflex Systems at two (2) new Designated Intersection Approaches ("New Designated Intersection Approaches") after the Effective Date. The Parties agree to continue operations for the Designated Intersection Approaches existing as of the Effective Date ("Existing Designated Intersection Approaches").
- B. **Services.**
  - a. **HD Incident Video.** After the Effective date, Redflex shall upgrade the Existing Designated Intersection Approaches to allow for high definition incident video capture ("HD Incident Video"). All New Designated Intersection Approaches will be installed with HD Incident Video. This shall allow for enhanced viewing of red light incident files by the Police Department. All Smartscape video will remain in its standard definition form.
  - b. **Police Authorization Work Station.** Upon the date of the first "Authorized Violation" issued for the New Designated Intersection Approaches, Redflex shall furnish the Police Department with a dual monitor desktop work station compatible with the day to day administration of the Program. Upon delivery The City assumes all IT connectivity, installation and administration of the work station.
- B. **Term.** Section 2 of the Agreement shall be amended as follows:

**Existing Designated Intersection Approaches.** For Existing Designated Intersection Approaches, Term of the Agreement shall be extended for five (5) years commencing on the Effective Date of this Amendment (the "Extended Term"). The City shall have the right, but not the obligation, to extend the Extended Term of this Agreement for up to two (2) additional consecutive and automatic one (1) year periods following the expiration of the Extended Term (each, a "Renewal Term" and collectively with the Extended Term, the "Term"). The City may exercise the right not to extend the Term of this Agreement for a Renewal Term by providing notice to Redflex not

less than thirty (30) days prior to the last day of the Extended Term or the Renewal Term, as the case may be.

New Designated Intersection Approaches. For New Designated Intersection Approaches, each New Designated Intersection Approach shall have a separate, distinct and independent five (5) year term ("Initial Camera Term") commencing as of the date of the first "Authorized Violation" issued for that New Designated Intersection Approach. The City shall have the right, but not the obligation, to extend the Initial Camera Term of this Agreement for up to two (2) additional consecutive and automatic one (1) year periods following the expiration of the Initial Camera Term (each, a "Renewal Camera Term" and collectively with the Initial Camera Term, the "Camera Term"). The City may exercise the right not to extend the Camera Term for a particular New Designated Intersection Approach for a Renewal Camera Term by providing notice to Redflex not less than thirty (30) days prior to the last day of the applicable Initial Camera Term or the Renewal Camera Term, as the case may be.

**B. Pricing.** The pricing in Exhibit "D" of the Agreement shall be amended as follows:

Existing Designated Intersection Approaches. The City shall continue to pay Redflex a Fixed Monthly Fee of \$6,000.00 per month for each Existing Designated Intersection Approach, as provided in the Agreement, until the date of the first "Authorized Violation" issued for the second New Designated Intersection Approach installed under this Amendment. Thereafter, the City shall pay Redflex a Fixed Monthly Fee of \$5,750.00 per month for each Existing Designated Intersection Approach.

New Designated Intersection Approaches. Commencing on the date of the first "Authorized Violation" issued for a New Designated Intersection Approach, the City shall pay Redflex a Fixed Monthly Fee of \$5,750.00 per month for that New Designated Intersection Approach.

**C. Standard Interval Price Adjustment.** The section entitled "Standard Interval Pricing Adjustment" in Exhibit "D" of the Agreement shall be amended as follows:

Standard Interval Price Adjustment. Redflex and City agree to meet and negotiate in good faith a Fixed Monthly Fee per Designated Intersection Approach using a standard pricing interval. Twelve (12) months after the Effective Date of the Amendment and on an annual basis thereafter, the Parties will review the financial terms of the Agreement. Based on the determination of financial insolvency (as it relates to the vendors fees) an adjustment can be made to the Fixed Monthly Fees. Any adjustment shall be limited to a maximum twenty percent (20%) more or less the applicable Fixed Monthly Fee from the previous interval. The calculation will use currently available and verifiable data that the Parties find to be commercially reasonable. Should the Parties being reasonable and in good faith, not able to agree upon new pricing terms, the Agreement will continue for an additional six (6) month period under the current terms, in which Redflex will provide additional remedies. If after said remedy period, the Program is still determined to be insolvent, the Agreement will terminate for cause. Redflex shall not be entitled to a cancellation fee for each Designated Intersection Approach and Section 6.4 Procedures of Termination will be applied.


**D. Deletions.** Section 6.2 "Termination Without Cause" is deleted in its entirety and the section shall be "Reserved". Section 9 of Exhibit "D" of the Agreement shall be deleted in its entirety.

**E. Enforceability of Non-Amended Terms and Conditions.** Except as expressly amended in this Amendment, the Terms and Conditions of the Agreement shall remain in full force and effect. To

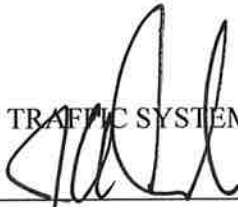
the extent that this Amendment conflicts with the terms of the Agreement, this Amendment shall control.

Approved as to form, content and legality:

CITY OF RANCHO CORDOVA, CA

By:   
Name: Brian Nakamura  
Title: City Manager  
Date: 3/10/15

REDFLEX TRAFFIC SYSTEMS, INC.

By:   
Name: James A. Saunders  
Title: CEO and President  
Date: 3/2/15

# City of Rancho Cordova Contract Routing Form

Complete all fields and use n/a if not applicable.

1. Contractor/Company name: Redflex Traffic System, Inc.
2. Services to be Provided (Description for PO): Photo Red Light Enforcement Program
3. Resolution Number and Council Adoption Date: Resolution 16-2011, February 7, 2011
4. Responsible Person and Department: Marc Fontes, Police Department

5. Contract Activity:

	Contract #	Amount	Expiration	Cumulative Amount
Original	12-2011	\$6,000 per month per approach	2/9/15	
Amendment 1	12-2011-1	See new fee schedule under routing notes	2/9/20	
Amendment 2				
Amendment 3				

- W-9 Attached or on file       590 Attached or on file

6. Budget Expense Account Number: 1000-5005-54107
7. Project Number: \_\_\_\_\_
8. Grant Number: \_\_\_\_\_ (attach Grantor Procurement Requirements)
9. PO Number: PO2013-00165 Vendor ID: REDF0001

10. Competitive Bid Process (choose 1)
- Publically Bid (Clerk initials that documents are on file: \_\_\_\_\_)
- Informal Bid (Evidence attached. Required for purchase of supplies/equipment greater than \$20,000.)
- Not Required. Why? no ads needed at this time

11. Department Head Initial and Date: Chief Goold MG 3/3/15
  12. Risk Manager Initial and Date: [Signature] 3/5/15
- Standard required insurance with endorsement attached
- List modified insurance:
- General \_\_\_\_\_  Auto \_\_\_\_\_
- Professional \_\_\_\_\_  Workers Compensation \_\_\_\_\_
- Justification: \_\_\_\_\_
- (attach approval e-mail or checklist)

13. City Attorney Review Initial and Date: JK 3/10/15
- (Check One)
- Professional Services Agreement - Amendment (PSA-A) Template Used
- Professional Services Agreement (PSA) Template Used
- Professional Services Agreement - Short Form (PSA-S) Template Used
- General Services Agreement (GSA) Template Used
- Construction Services Agreement (CSA) Template Used
- Franchise Agreement
- Custom Agreement AND E-mail Approval is Attached
- City Attorney Drafted AND E-mail Approval is Attached
- City Attorney Reviewed AND E-mail Approval is Attached
- Modification of Template AND Redline of Changes to Template is Attached

**Routing Notes:**

Fixed monthly fee of \$6,000 per month for each existing designated intersection approach until the date of the first "Authorized Violation" issued for the second new designated intersection approach installed.

Thereafter, the fixed monthly fee is \$5,750 per month per designated intersection approach.