Open Item Contract



Contract and Purchasing Services Division 10545 Armstrong Avenue Suite 202A Mather, CA 95655 (916) 876-6360

Your Vendor number with us 631198

REDFLEX TRAFFIC SYSTEMS INC 6076 BRISTOL PARKWAY SUITE 106 CULVER CITY CA 90230

Vendors Contact Person: WADE R BETTISWORTH

Vendors Phone Number: 310-743-1217

Reprint of Open Item Contract WA00023756 08/22/2008

This number must appear on all correspondence to the Purchasing Division.

Contract number/date

WA00023756 / 08/22/2008

Issuing Officer/Telephone

Clark, Steve 1916 876-6366

Signature:

Contract Period

Valid from: Valid to: 12/16/2008 12/31/2011

F.O.B. Dest., Freight Prepaid

Payment Terms: Payable Within 30 Days Contractual maximum value: 3,024,000.00

You are hereby notified that the goods and/or services listed have been awarded to you subject to terms and conditions referenced and to the general conditions listed on the reverse.

Before supplying any goods or services to the County, the vendor must obtain a CSO (Contract Shipping Order) number from the ordering department. A CSO is an authorized release (Purchase Order) against the contract and shall be provided in written form. "Verbal" orders are not acceptable. For a CSO to be considered valid, it must be within the scope of this contract and be consistent with its pricing, terms and conditions. The CSO number must be referenced on all documents related to the order (packing slips, invoices, etc.). Failure to obtain a CSO and reference its number may result in the delay or non-payment of the invoice.

THIS IS TO ESTABLISH A CONTRACT FOR THE PROVISION OF RED LIGHT PHOTO ENFORCEMENT PROGRAM TO BE MANAGED BY THE COUNTY OF SACRAMENTO.

Redflex Traffic Systems, Inc. will provide Slimline Series Camera System complete with HDX High Resolution Digital Cameras, per terms and conditions of RFP7169 and subsequent mutual agreements between the County of Sacramento and vendor.

The County of Sacramento will manage the Program for the City of Sacramento under a Memorandum of Understanding. The contractor will

deploy traffic safety camera equipment at designated principal intersections throughout the County and City of Sacramento. The contracted services shall include all hardware, software, installation, maintenance, operation, and all back-office processing of violations.

CONTRACT TERM: The initial contract period will be three (3) years. For reasons of economy and efficiency, the County may renew the contract for an additional two (2) years at its option. During the contract term, ownership of hardware/software shall remain with vendor. Upon termination of contract, vendor will be solely responsible for dismantling/removal of hardware/software.

PRICES: Prices shall be firm and fixed throughout the term of the contract, unless a change in the required services necessitates a revision to the firm-fixed pricing.

TURNKEY PRICING:

INSTALLATION, EQUIPMENT AND SUPPORT-ALL-INCLUSIVE RATE Rates effective upon installation

Monthly price for each of the initial twenty intersections, per approach:

- Straight through only with up to 4 lanes enforced \$3,750
- With additional left turn enforcement, two left turn lanes enforced \$4,200
- With additional right turn enforcement \$3,750 (no up-charge over straight thru)

Monthly price for each additional intersection, per approach:

- Straight through only with up to 4 lanes enforced \$4,750
- With additional left turn enforcement, two left turn lanes enforced \$5,050
- With additional right turn enforcement \$4,750 (no up-charge over straight thru)

TECHNOLOGY UPGRADES: Redflex is willing to provide upgrades to the County free of charge that are mutually agreed upon and materially impact the performance of the system. Examples of these types of upgrades include:

- Enhanced image quality (impact issuance rates)
- Improved compression rates
- Meeting federal or state statutes or regulatory requirements
- Health maintenance software applications: Door open monitoring Humidity readings CPU usage

EQUIPMENT DAMAGE: The cost of restoring an approach to normal operating conditions will be borne solely by the contractor regardless of the cause of the damage. Damaged equipment is all equipment owned by Redflex Traffic Systems.

PUBLIC AGENCY CLAUSE: Redflex will extend the terms and conditions of this contract to other California governmental agencies if the County of Sacramento will manage the program under a Memorandum of Understanding with the agency. Otherwise, Redflex is willing to allow other California governmental agencies to "piggy-back" on the terms and conditions of the contract if the following criteria are met: 1) The population of the prospective agency is equal to or greater than 400,000; and

2) The prospective agency has a public safety need that will require the

implementation of 30 or more red light camera systems.

LATE COURT EVIDENCE PACKAGES: Redflex commits to ship all court evidence packages to the County within five (5) days of request. In any given month where Redlfex is unable to meet the service commitment for court evidence packages for reasons within their control, they will credit the County in the amount of \$150 for each court package that 1) is shipped more than five (5) business days after the agreed upon date; and 2) is the primary cause in the County being unable to prosecute a

VIOLATION IMAGE PROCESSING: Redflex commits to deliver all pre-processed images to the County within five (5) business days. In any given month where Redflex is unable to meet the service commitment for pre-processed images for reasons within their control, they will credit the County based on the following formula:

1) If the average delivery date for all pre-processed images for the month exceeds five (5) days, they will credit the County in the amount of one thousand dollars (\$1,000); 2) For each pre-processed image that has a delivery date that exceeds seven (7) days, they will credit the County in the amount of thirty dollars (\$30).

SIGNAGE: The City and County of Sacramento will be responsible for the installation and maintenance of all required signage.

CITY/COUNTY ACCESS: Redflex will provide both the City and the County of Sacramento with access to the 24/7 live video feeds and recording capabilities, the Advance Traffic Infraction Statistics Package, and the Customer Management Reports.

PERFORMANCE: Continuance of contract for the full period specified shall be contingent upon the satisfactory performance of the vendor. Continuing or unrectifiable performance deficiencies may be cause for the County to cancel any balance of contract.

TERMINATION: The County reserves the right to cancel contract without cause with 30-days advance notice.

MINIMUM USAGE: Required usage may vary. The County does not guarantee a minimum quantity during the contract period nor is the County limited to purchase all requirements from contracted vendor.

DELIVERY: Deliveries shall be made on an "as required" basis by means of a contract release issued against the master contract.

LATE FEES: Pursuant to Gov. Code 926.10, interest or late charges

violation.

shall not exceed 6 percent per annum. Such charges commence the 61st day from the receipt date of the original undisputed invoice.

OUT OF STATE TAX: The County is required to withhold seven percent (7%) of all income paid to certain independent contractors who do not reside in California. (Rev. & Tax. Code §18662; Cal.Admin. Code §\$18662-1-18662-14.)

PREVAILING WAGE: Pursuant to the applicable labor code of the State of California, Contractor or any subcontractor shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations.

INVOICES: The Contractor will be expected to adhere to invoicing procedures as required by the County auditor-controller's office.

Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; "bill to" and "service/delivery" addresses; contract number; contract shipping order number (CSO); account number; service / item descriptions as appropriate; unit prices and extensions; and invoice total.

A separate invoice shall be prepared for each order (CSO) received. Invoicing to the County shall be done in arrears.

Invoice discrepancies shall be handled in a professional, courteous, and expeditious manner.

Invoices shall be submitted to the address specified by the ordering entity.

INDEPENDENT CONTRACTOR: It is understood and agreed that Contractor (including contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto. Contractor's assigned personnel shall not be entitled to any benefits payable to employees of the County. Contractor hereby indemnifies and holds County harmless from any and all claims that may be made against County based upon any contention by any third party that an employer-employee relationship exists by reason of this agreement.

It is further understood and agreed by the parties hereto that Contractor in the performance of its obligation hereunder is subject to the control or direction of County as to the designation of tasks to be performed, the results to be accomplished by the services hereunder agreed to be rendered and performed, and not the means, methods, or sequence used by Contractor for accomplishing the results.

If, in the performance of this agreement, any third persons are employed by Contractor, such person(s) shall be entirely and exclusively under the direction, supervision, and control of Contractor. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor.

It is further understood and agreed that as an independent contractor and not an employee of County, neither the Contractor nor Contractor's assigned personnel shall have any entitlement as a County employee, right to act on behalf of County in any capacity whatsoever as agent,

nor to bind County to any obligation whatsoever.

Notwithstanding Contractor's status as an independent contractor, County shall withhold from payments made to Contractor such sums as are required to be withheld from employees by the Federal Internal Revenue Code; the Federal Insurance Compensation Act; the State Personal Income Tax Law and the State Unemployment Insurance Code; provided, however, that said withholding is for the purpose of avoiding County's liability under said laws and does not abrogate Contractor's status as an independent contractor as described in this contract. Further, Contractor is not included in any group covered by County's present agreement with the federal Social Security Administration.

INDEMNIFICATION: Contractor shall defend, indemnify and hold harmless County, its Board of Supervisors, officers, directors, agents, employees and volunteers from and against any and all demands, claims, actions, losses, liabilities, damages, and costs, including payment of reasonable attorneys' fees, arising out of or resulting from the performance of this Agreement, except and in proportion to the extent caused by the negligence or willful misconduct of County, its Board of Supervisors, officers, directors, employees, agents or volunteers, including County compliance with State of California legal statutes, Vehicle Code (21455.5).

County of Sacramento			Redflex Traffic Systems	
By .	Kepher (lan		·
Title <u></u>	r. Contract :	Sucs. Officer		
Date <u>/</u>	12-16-08			
item Ma	Tgt. qty. t Num	Unit Description	Price Unit of / Unit Measure	Extended Value
00010	3,024,000	Each		