

Solana Beach

**FIRST AMENDMENT TO
EXCLUSIVE AGREEMENT BETWEEN THE CITY OF SOLANA BEACH
AND REDFLEX TRAFFIC SYSTEMS, INC. FOR
PHOTO RED LIGHT ENFORCEMENT PROGRAM**

This First Amendment ("Amendment") is made as of this ^{10th} day of October, 2009 by and between Redflex Traffic Systems, Inc. with offices at 23751 N. 23rd Avenue, Phoenix, Arizona, 85027 ("Provider"), and The City of Solana Beach, a municipal corporation, with offices at 635 S. Highway 101, Solana Beach, California 92075 (the "City") to provide professional services to the City for the equipment, installation and maintenance ("Professional Services") for red light photo enforcement ("Project").

RECITALS

WHEREAS, the Provider and the City previously entered into a certain agreement dated December 30th, 2003 ("Agreement") to provide automated red light photo enforcement in the City of Solana Beach; and

WHEREAS, the Provider and the City mutually agree that the terms of the Agreement require modification in order to reflect the realities of automated red light enforcement in the City of Solana Beach and to comply with state law; and

WHEREAS, the Provider 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 engage the services of the Provider to provide certain equipment, processes and back office services so that Authorized Employees of the City are able to monitor, identify and enforce red light running violations; and

WHEREAS, it is a mutual objective of both the Provider and the City to reduce the incidence of vehicle collisions at the traffic intersections and city streets that will be monitored pursuant to the terms of this Amendment to the Agreement.

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 agree as follows:

AGREEMENT

1. Section 1.0 of the Agreement is amended in its entirety as follows:

"1.0 TERM OF AGREEMENT

EXHIBIT "B"
COMPENSATION & PRICING

Fixed Monthly Fee

Tier One: Commencing on the execution of this Agreement, the City shall be obligated to pay the Provider a fixed fee of \$2225.00 per system, per month for the continued operation of the following approaches:

Hwy 101 and Lomas Santa Fe Drive, Southbound
Lomas Santa Fe Drive and Solana Hills Drive, Northbound
Lomas Santa Fe Drive and Solana Hills Drive, Eastbound

Tier Two: At the expiration of the Warning Period for each New Designated Intersection Approach, the City shall be obligated to pay the Provider a fixed fee of \$6070.00 per month for each Designated Intersection Approach ("Fixed Fee") as full remuneration for performing all of the services contemplated in this Agreement.

BUSINESS ASSUMPTIONS FOR ALL PRICING OPTIONS:

1. The Provider's construction will be able to utilize existing conduit for installation where space is available. If it is determined that new conduit must be installed the cost of the installation of the same shall be borne by the Provider.
2. Each year, on the anniversary date of the contract, the pricing will increase by the CPI, not to exceed a cap of 3%. CPI will be derived from the publication of the U.S. Department of Labor Consumer Price Index for U.S. City average.
3. Except where a balance remains unpaid due to a deficit in the gross cash received as described herein, the City agrees to pay the Provider within thirty (30) days after the invoice is received. A monthly late fee of 1.5% is payable for amounts remaining unpaid 60 days from date of invoice.
4. The provision of all necessary communication, broadband and telephone services to the Designated Intersection Approaches will be the sole responsibility of the Provider.
5. The on-going provision of any and all necessary electrical power to the Designated Intersection Approaches will be the sole responsibility of the City.
6. The City shall be solely responsible for installing required signage.

7. Roadway/Intersection improvement projects: the City shall reimburse the Provider the costs of replacing and or modification of operational system approaches.
8. If a system is deactivated at the City's request due to roadway construction, the monthly fee will continue.


"City"

"Provider"

CITY OF SOLANA BEACH

REDFLEX TRAFFIC SYSTEMS, INC.,

By:  SM
Name: David Ott
Title: City Manager

BY: 
Name: Aaron Rosenberg, PhD
Title: Executive Vice President