

# City Council Memorandum

City of Arts & Innovation

**TO: HONORABLE MAYOR AND CITY COUNCIL**                      **DATE: October 25, 2011**  
**FROM: PUBLIC WORKS DEPARTMENT**                              **ITEM NO: 12**  
**WARDS: ALL**

**SUBJECT: FIRST AMENDMENT TO AGREEMENT BETWEEN THE CITY OF RIVERSIDE AND REDFLEX TRAFFIC SYSTEMS, INC. FOR THE PHOTO RED LIGHT ENFORCEMENT PROGRAM**

**ISSUE:**

The issue for City Council consideration is approval of a First Amendment to the Agreement between the City of Riverside and Redflex Traffic Systems, Inc. for the Photo Red Light Enforcement Program. The First Amendment would extend the term by five (5) years, as well as revise Agreement terms.

**RECOMMENDATION:**

That the City Council approve the First Amendment to the Agreement Between the City of Riverside and Redflex Traffic Systems, Inc. for the Photo Red Light Enforcement Program.

**COMMITTEE RECOMMENDATION:**

On September 19, 2011, the Public Safety Committee, with Chair MacArthur, Vice Chair Melendrez and Member Hart present, unanimously recommended that the First Amendment to the Agreement with Redflex be forwarded to the City Council.

**BACKGROUND:**

On July 11, 2006, following a public hearing, the City Council conceptually approved the implementation of the Photo Red Light Enforcement Program. The Public Works Department was directed to negotiate a Professional Consultant Services Agreement with Redflex Traffic Systems, Inc. (Redflex) for the installation and related maintenance services of up to 30 photo red light enforcement systems.

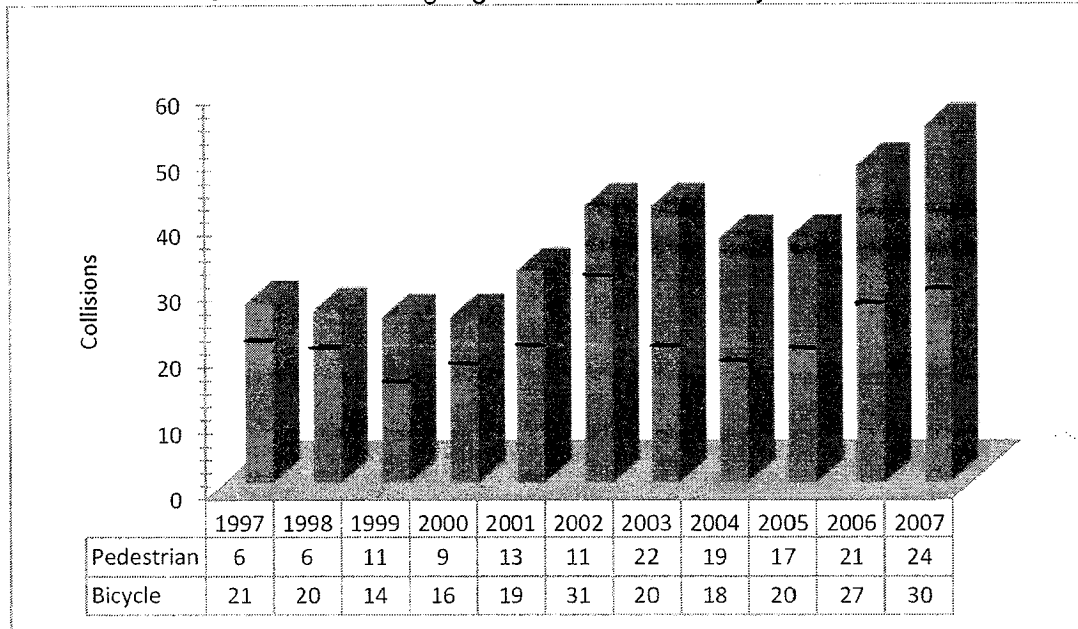
On August 8, 2006, the City Council approved the Agreement between City of Riverside and Redflex for the Photo Red Light Enforcement Program for a term of five (5) years commencing on the installation date of the first photo red light enforcement system. The current Agreement between the City and Redflex is set to expire on November 30, 2011.

## Program Purpose

The City of Riverside Photo Red Light Enforcement Program is a public safety program intended to modify driver behavior. Evidence of a need for such a program is abundant:

- A 2005 study by the U.S. Department of Transportation's Fatality Analysis System ranked Riverside, California, as 1<sup>st</sup> for the rate of fatal auto collisions per capita in Southern California.
- In 2011, Transportation for America ranked the Riverside-San Bernardino-Ontario, California metro area as the 5<sup>th</sup> most dangerous large metro area for pedestrians based on data for the 10-year period of 2000 to 2009.
- The United States Department of Transportation (DOT) indicates there are more than 1.8 million intersection crashes annually and according to the Insurance Institute for Highway Safety (IIHS). Red light running is the leading cause of traffic collisions.
- In 2009, red light running killed 676 people and injured 113,000. Nearly two-thirds of the deaths were people other than the red light running drivers—occupants of other vehicles, passengers in the red light runners' vehicles, bicyclists or pedestrians.
- Intersection crashes account for more than 45% of all reported crashes and 21% of fatalities according to the Fatality Analysis Reporting System.
- Between 2002 and 2007, there were 9,265 collisions at intersections including nine (9) fatal collisions resulting from red light running in Riverside.
- On October 4, 2009, the Press Enterprise reported Riverside as being the highest ranking City for pedestrian collisions between 2006 and 2009 when compared to nine (9) other Inland Empire cities including Hemet, Corona and Ontario.
- Incidents involving unsuspecting bicyclists and pedestrians caused by illegal right turns on red lights are increasing. Chart 1 illustrates the volume of such incidents in Riverside.

**Chart 1**  
Collisions Involving Right Turn Vehicles – Bicycles & Pedestrians



Therefore, in December 2006, the City of Riverside set out to modify driver behavior and improve traffic safety by installing nine (9) red light photo enforcement cameras at eight (8) intersections throughout the City. The program has since expanded to 30 red light photo enforcement cameras strategically placed at 20 intersections citywide (Attachment 1). Locations were selected based on the frequency of traffic collisions, the number of red light runners and other risk criteria such as being in close proximity to schools or hospitals.

### Program Results

Program effectiveness is measured by a reduction in red light running and related traffic collisions that result from a change in driving behavior. Specific measures include the reduction of violations captured/number of citations issued and a reduction of collisions occurring as a result of red light running.

A 2011 IIHS study concluded there was a 24% reduction in the number of fatal crashes in the 14 largest U.S. cities using photo enforcement cameras. The rate also fell in 48 cities without camera programs, but only by 14%. The IIHS also concluded that 159 lives were saved in those 14 cities studied and 800 more lives could have been saved had every large city in the country used cameras.

A Texas Transportation Institute (TTI) study released August 1, 2011, found a 25% reduction statewide in red light crashes and a 32% reduction in dangerous right-angle crashes in intersections where cameras were in use.

### Reduction in Red Light Runners

Since the program's inception, the City has seen a drastic decrease in the number of vehicles captured running red lights. In March 2007, red light cameras captured approximately 908 vehicles running red lights per intersection. Comparatively, in March 2011, the cameras captured only 386 vehicles per intersection, a decrease of approximately 57%.

Decrease in Collisions

A reduction in red light runners has resulted in a reduction in traffic collisions at the photo enforced intersections. When comparing the number of reported traffic collisions in 2006 (before the program) with those in 2010 at photo enforced intersections, data indicates there has been:

- 44% decrease in collisions of all types;
- 51% decrease in broadside collisions; and
- 29% decrease in rear-end collisions.

Table 1 below summarizes this information.

**Table 1**  
Collisions at Photo Enforced Intersections

Intersection		Collisions	Collisions	Collisions	Collisions	Collisions	Collisions
		2006	2010	2006	2010	2006	2010
		All Types	All Types	Broad	Broad	Rear-end	Rear-end
Tyler	Magnolia	9	10	1	3	3	4
Tyler	Indiana (n)	3	0	0	0	2	0
Tyler	SR 91 (wb ramps)	4	4	2	1	1	2
Van Buren	Dufferin	2	4	0	0	2	4
Van Buren	Indiana	16	8	4	1	7	5
Van Buren	Arlington	19	11	4	2	9	6
Arlington	Indiana	14	9	6	3	2	4
Fourteenth	Mulberry	6	4	5	4	1	0
Chicago	Martin Luther King	3	3	2	1	1	1
Mission Inn	Lime	4	1	3	0	0	0
Market	University	12	3	3	0	4	2
Columbia	Main	5	2	0	0	2	1
Third	Chicago	3	1	0	0	1	1
University	Iowa	15	1	3	0	4	1
Canyon Crest	Central	4	4	2	1	1	1
Chicago/Arlington	Alessandro	12	11	4	3	5	4
Van Buren	Wood	6	1	1	0	5	0
Van Buren	Trautwein / Cole	8	2	2	0	5	2
Alessandro	Sycamore Canyon	1	2	1	1	0	1
Canyon Springs	Day	1	1	0	1	0	0
Total		147	82	43	21	55	39
% Change			(44)		(51)		(29)

According to the 2011 IIHS study, photo red light enforcement has led to a reduction in red light running collisions in other California cities:

- Sacramento            53%
- Santa Ana             44%
- San Diego             62%
- Long Beach            34%

**Spillover Effect**

Since implementation of the photo enforcement program, Riverside has experienced increased driver safety at intersections throughout the City. Photo red light enforcement program research reflects some of the increased safety is due to the spillover effect of the City's large photo red light enforcement program. Other contributing factors include capacity improvements, traffic signal coordination and the economy. Between 2006 (before program) and 2010, citywide collision data reflects the following:

- 43% decrease in collisions of all types;
- 40% decrease in broadside collisions;
- 43% decrease in rear-end collisions; and
- 64% decrease in fatalities.

Further, the collision rates per million vehicles at photo enforced locations compared with rates at non-photo enforced high volume intersections reflect varying levels of accident reduction. This reinforces the fact that driver safety is improving throughout the City due to the extensive traffic safety program which includes factors such as photo enforcement, spillover effect, capacity improvements and signal coordination.

Table 2 reflects a consistent decline in the collision rate at photo enforced (E) intersections. Reductions range from 42% to 84%. Table 2 also depicts significant reductions at non-enforced (N) intersections which have had capacity improvements and signal coordination since 2006. Such intersections include Alessandro Boulevard/Canyon Crest Drive, Van Buren Boulevard/Jurupa Avenue and Central Avenue/Victoria Avenue.

**Table 2**  
Comparison of Collision Rates/Million Vehicles at Photo Enforced (E) & Non-Enforced (N) Intersections

Intersection			Vehicles/Day	2006 Collision Rate All Types	2010 Collision Rate All Types	% Change
E	Van Buren	Arlington	75,000	0.694	0.401	(42)
N	Alessandro	Canyon Crest	72,000	0.380	.152	(60)
E	Van Buren	Trautwein/Cole	64,000	0.342	0.085	(75)
N	Van Buren	Jurupa	62,000	0.441	0.265	(40)
E	Van Buren	Indiana	51,000	0.859	0.429	(50)
N	La Sierra	Magnolia	51,000	0.322	0.160	(50)
E	Van Buren	Wood	45,000	0.365	0.060	(84)
N	Central	Victoria	45,000	0.365	0.182	(50)

**Other Safety Improvements**

In addition to the photo red light enforcement cameras, the City of Riverside is continually making traffic safety improvements. Improvements made to reduce red light running collisions in Riverside include:

- All red clearance phases;
- Green right turn overlap arrows;
- Street and intersection capacity improvements; and
- Intersection timing adjustments.

**Violation Review Process**

Each violation captured by the City’s photo red light enforcement program undergoes a rigorous review process to ensure that vehicles captured by the cameras running a red light are in clear violation. When a vehicle is captured running a red light by a camera, it is independently reviewed by three (3) employees of Redflex Traffic Systems prior to being made available to one (1) of Riverside’s photo red light enforcement operators. Riverside’s operators have the final review and ultimately determine whether a citation should be issued. Operators only issue citations after a thorough review process has been completed and it has been determined that a citation is warranted by the offense.

Each violation issued using a photo red light enforcement camera includes incident information, pictures, directions on how to view the video and who to contact. Riverside’s operators are available Monday through Friday, 7:30 a.m. to 5:30 p.m. at Riverside City Hall to review pictures and videos with alleged violators and to answer questions about the camera citations

**Fine Amount and Distribution**

Currently, the minimum fine for a red light violation, whether it is issued utilizing a camera system or by a law enforcement officer on the street is \$490. Fines are established by the State of California and are paid directly to the Riverside County Superior Court. Fines are then disbursed to the State of California, Riverside County Superior Court, other Riverside County agencies and the City of Riverside. Flexible payment options, including payment plans and community service are available through Riverside County Superior Court. Traffic school and an appeals process are also available through the Court.

The City of Riverside receives approximately 30%, or \$147, of the fine amount paid for a red light violation. Any revenue received from citations issued using the photo red light enforcement cameras is spent on program operations and other traffic safety improvements throughout the City, such as the Traffic Management Center.

**Contract Amendment**

Table 3 summarizes the key provisions of the proposed contract amendment with Redflex.

**Table 3**  
Proposed Contract Amendment

Section	Description
Term	<ul style="list-style-type: none"> <li>- Effective 11/30/11, Agreement extended for five (5) years</li> <li>- City has option to extend for two (2), two-year periods</li> </ul>
Termination	<ul style="list-style-type: none"> <li>- City may terminate Agreement without cause at any time                             <ul style="list-style-type: none"> <li>o No financial penalty for 30 current cameras</li> <li>o City responsible for reimbursable costs associated with installation of any new cameras not to exceed \$80,000/camera</li> </ul> </li> </ul>
Cost Current Cameras	<ul style="list-style-type: none"> <li>- On effective date of renewal term, monthly camera cost (flat rate) reduces to \$5,400 from \$6,469.57</li> <li>- On 7/1/12, monthly camera cost reduces to \$4,903.59</li> <li>- Upon reaching 60 months of operation, monthly camera cost reduces to \$3,850.89 (40% reduction in monthly cost/camera)</li> </ul>
Camera Relocation	<ul style="list-style-type: none"> <li>- City may relocate eight (8) cameras as deemed necessary for traffic safety needs at no cost to City</li> <li>- Additional cameras may be relocated at cost of up to \$25,000/camera</li> </ul>

Section	Description
New Cameras	<ul style="list-style-type: none"> <li>- New cameras may be added for traffic safety needs                             <ul style="list-style-type: none"> <li>o Cameras added prior to 1/1/13 will have monthly cost of \$5,016.82</li> <li>o Cameras added after 1/1/13 will have monthly cost of \$5,833.15</li> <li>o Upon reaching 60 months of operation, monthly camera cost reduces to \$3,850.89</li> </ul> </li> </ul>
Construction Impact	<ul style="list-style-type: none"> <li>- City may request camera be deactivated due to construction                             <ul style="list-style-type: none"> <li>o Camera fee suspended for initial 30 days</li> <li>o After 30 days City pays monthly fee of \$1,500 until camera reactivated</li> </ul> </li> </ul>

The Police Chief concurs with the recommendation above.

**FISCAL IMPACT:**

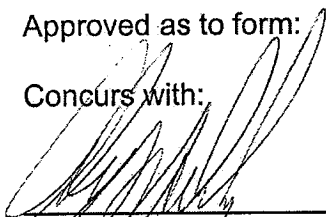
Funding for the Program is included in the Public Works Department budget and is offset by program revenue. Revenue receipts from inception of the program through June 30, 2011 indicate that the City has received approximately \$11,366,513 and reports show that expenditures through June 30, 2011 equal approximately \$12,474,366. Due to the Court processing system, there is a four-month delay between citation payment to the Court and revenue receipt by the City, therefore, at any given time there is approximately \$800,000 in program revenue not yet realized. Thus program revenue is expected to cover budgeted expenditures.

Prepared by:  
 Certified as to availability  
 of funds:  
 Approved by:

Thomas J. Boyd, Interim Public Works Director  
 Paul C. Sundeen, Assistant City Manager/CFO/Treasurer  
 Deanna Lorson, Assistant City Manager  
 for Scott C. Barber, Interim City Manager  
 Gregory P. Priamos, City Attorney

Approved as to form:

Concurs with:



Andy Melendrez, Vice Chair  
 Public Safety Committee

Attachments:

1. Camera Locations
2. First Amendment to Agreement between the City of Riverside and Redflex for the Photo Red Light Enforcement Program

<b>Intersection</b>	<b>Approach</b>
Alessandro Blvd and Sycamore Canyon	WB
Tyler St. and Magnolia Ave	WB
Mission Inn Ave and Lime St	WB
Van Buren Blvd and Trautwein Road	EB
Van Buren Blvd and Trautwein Road	WB
Chicago Ave and MLK Blvd	NB
Canyon Crest Dr. and Central Ave	NB
Van Buren Blvd and Indiana Ave	NB
Van Buren Blvd and Arlington Ave	EB
Van Buren Blvd and Arlington Ave	SB
Van Buren Blvd and Arlington Ave	NB
Third St. at Chicago Ave	NB
Third St. at Chicago Ave	EB
Columbia Ave and Main St	NB
Columbia Ave and Main St	WB
Iowa Av and University Ave	SB
Iowa Av and University Ave	EB
Indiana Ave and Tyler St	WB
Market St and University Ave	SB
Van Buren Blvd and Indiana Ave	EB
Van Buren Blvd and Wood Rd	EB
Indiana Ave and Arlington Ave	NB
Mulberry St. and Fourteenth St	EB
Mulberry St. and Fourteenth St	SB
Chicago Ave and Alessandro Blvd	WB
Van Buren Blvd and Dufferin Ave	SB
Van Buren Blvd and Dufferin Ave	NB
Tyler Street and WB 91Fwy Ramps	SB
Canyon Springs Parkway and Day Street	EB
Indiana Ave and Arlington Ave	NB



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

This First Amendment to Exclusive Agreement (“Amendment”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2011 by and between Redflex Traffic Systems, Inc. with offices at 6076 Bristol Parkway, Suite 106, Culver City, California 90230 (“Redflex”), and the City of Riverside, a California charter city and municipal corporation, with offices at 3900 Main Street, Riverside, California 92522 (“Customer”).

WITNESSETH

WHEREAS, Redflex and the Customer have previously entered into that certain Exclusive Agreement Between the City of Riverside and Redflex Traffic Systems, Inc., for Photo Red Light Enforcement Program dated the 8<sup>th</sup> day of August, 2006 (hereafter referred to as the “Agreement”); and

WHEREAS, Redflex and the Customer mutually agree to amend certain conditions of the Agreement;

NOW THEREFORE, in consideration of mutual promises and obligations set forth herein, the parties hereto agree to the following amendments to the Agreement as follows:

1. Paragraph 2, **Term**. Effective upon expiration of the Initial Term occurring on November 30, 2011, the Agreement is hereby extended and renewed for a five (5) year period (the “Renewal Term”). The Customer shall have the right, but not the obligation, to extend the term of this Agreement for up to two (2) additional consecutive and automatic two (2) year periods (each an “Additional Renewal Term”). The Customer may exercise the right to not extend the term of the Agreement for an Additional Renewal Term by providing written notice to Redflex not less than thirty (30) days prior to the last day of the Renewal Term or an Additional Renewal Term, as the case may be.
2. Paragraph 6, Termination, is amended in its entirety as follows:

6. **Termination**.

- 6.1. **Termination for Cause**. Either party shall have the right to terminate this Agreement immediately by written notice to the other if (i) state statutes are amended to prohibit or substantially change the operation of photo red light enforcement systems; (ii) any court having jurisdiction over City rules, or state or federal statute declares, that results from the Redflex System of photo red light enforcement are inadmissible in evidence ; (iii) any order, opinion or ruling from a court of law declares the City’s photo red light system is unenforceable, unconstitutional, or void; (iv) The City Council for the Customer or Redflex decides to discontinue the photo red light program; (v) the other party commits any material breach of any of the provisions of this

Agreement. In the event of a termination due to Section 6.1(i), 6.1(ii) 6.1(iii) or 6.1(iv) above, City shall be relieved of any further obligations for payment to Redflex other than as specified in Exhibit "D". Further, Redflex, at its sole cost and expense, shall remove its photo system, without reimbursement from Customer. If terminated pursuant to 6.1(iv), 6.3 shall also apply. Either party shall have the right to remedy the cause for termination if termination is under Section 6.1(v), within forty-five (45) calendar days (or within such other time period as the Customer and Redflex shall mutually agree, which agreement shall not be unreasonably withheld or delayed) after written notice from the non-causing party setting forth in reasonable detail the events of the cause of the termination.

6.2. The rights to terminate this Agreement given in Section 6.1 shall be without prejudice to any other right or remedy of either party in respect of the breach concerned (if any) or any other breach of this Agreement.

6.3. Termination for Convenience. The Customer may terminate this Agreement without cause at any time by giving sixty (60) days written notice of termination to Redflex. If the Customer exercises its right to terminate this Agreement in accordance with this paragraph, and/or pursuant to Section 6.1 (iv), the Customer shall be obligated to pay Redflex for all services deemed by the Customer to have been satisfactorily performed in accordance with this Agreement, through and including the initiation of termination date. As of the termination date, Customer shall no longer be obligated to pay the Fixed Monthly Fee. In the event the Customer exercises its rights under this paragraph during the first sixty (60) months after the placement and initiation of operations of any New Approach as defined in exhibit "D" the Customer shall reimburse Redflex on an amount equal to the Reimbursable Costs, as hereinafter defined, of reasonable direct labor costs and reasonable material costs, including equipment costs and salvageable material costs, for the initial installation solely associated with each applicable New Approach (the "Reimbursable Costs"). Redflex shall provide an itemization of the Reimbursable Costs, with supporting invoices and labor expense documentation, to the Customer within Sixty (60) days of the completion of installation of the Redflex Photo Red Light System at each New Approach as defined in exhibit "D". Said Reimbursable Costs are currently estimated to equal approximately \$50,000 to \$80,000 per Designated Intersection Approach, but, in no event, shall said amount exceed \$80,000 per Designated Intersection Approach. City reserves the right to seek an independent audit of the Reimbursable Costs. Any and all monetary amounts payable to Redflex in this Agreement shall in no fashion be deemed to create an equitable interest on the part of Customer in Redflex's equipment, products and/or the services provided. The monetary amounts payable to Redflex pursuant to this provision are an expense recovery for certain instances of early termination by the Customer. For the purpose of this section, the Reimbursable Costs for the New Approaches shall be derived in accordance with the following formula:

X = the number of months remaining on the Agreement;

Y = the number of months of the Agreement;  
X/Y = the percentage of remaining Agreement;  
Z = the Reimbursable Costs per New Approach (not to exceed \$80,000);  
(X/Y)\*Z = amount to be paid as cancellation fee;

For Example, if the Agreement ends on the last day of the 24<sup>th</sup> month and the New Approach was installed in month 12, the cancellation fee would be:

X = 36 (60 months – 24 months transpired under Agreement);

Y = 60 (number of months of the Agreement);

Z = \$60,000 (value of reimbursable costs);

X/Y\*Z = (36/60\*\$60,000);

Calculation of Fee = \$36,000.

6.4. Procedures Upon Termination. The termination of this Agreement shall not relieve either party of any liability that accrued prior to such termination. Except as otherwise set forth in Section 6.1 and 6.3 above, and upon the termination of this Agreement all of the provisions of this Agreement shall terminate and:

6.4.1. Redflex shall (i) immediately cease to provide services, including but not limited to work in connection with the construction or installation of Intersection Approaches and services in connection with the Redlight Photo Enforcement Program, and (ii) promptly deliver to the City any and all Proprietary Property of the City provided to Redflex pursuant to this Agreement, (iii) promptly deliver to the City a final report to the City regarding the collection of data and the issuance of Citations in such format and for such periods as the City may reasonably request, and which final report Redflex shall update or supplement from time to time when and if additional data or information becomes available, (iv) promptly deliver to City a final invoice stating all fees and charges properly owed by City to Redflex for work performed and services rendered by Redflex prior to the termination, and (v) provide such assistance as the City may reasonably request from time to time in connection with prosecuting and enforcing Citations issued prior to the termination of this Agreement.

6.4.2. The City shall (i) immediately cease using the Redlight Photo Enforcement Program, accessing the Redflex System and using any other Intellectual Property of Redflex, (ii) promptly deliver to Redflex any and all Proprietary Property of Redflex provided to the City pursuant to this Agreement.

6.4.3. Unless the City and Redflex have agreed to enter into a new agreement relating to the Redlight Photo Enforcement Program or have agreed to extend the Term of this Agreement, Redflex shall remove any and all Equipment or other materials of Redflex installed in connection with Redflex's performance of its obligations under this Agreement, including

but not limited to housings, poles and camera systems and Redflex shall restore the Designated Intersection Approaches to substantially the same condition such Designated Intersection Approaches were in immediately prior to this Agreement.

3. Exhibit "A" is hereby replaced in its entirety as attached hereto, effective upon the first day of the Renewal Term and applicable thereafter until expiration of the Agreement.
4. Paragraph 1.15 to Exhibit "B", Construction and Installation Obligations, shall be amended to read, "Redflex will provide training (i) for up to fifteen (15) **additional** personnel of the Customer, including but not limited to the persons who the Customer shall appoint as Authorized Officers and other persons involved in the administration of the Redlight Photo Enforcement Program, (ii) for at least sixteen (16) hours in the aggregate for each additional personnel, (iii) regarding the operation of the Redflex System and the Redflex Photo Enforcement Program, which training shall include training with respect to the Redflex System and its operations, strategies for presenting Violation Data in court and judicial proceedings and a review of the Enforcement Documentation."
5. Paragraph 1.16 to Exhibit "B", Construction and Installation Obligations, shall be amended to read, "Interact with court and judicial personnel to address issues regarding the implementation of the Redflex System, the development of a subpoena processing timeline that will permit the offering of Violations Data in court and judicial proceedings, and coordination between Redflex, the Customer and court personnel."
6. Exhibit "D" is hereby replaced in its entirety as attached hereto, effective upon the first day of the Renewal Term and applicable thereafter until expiration of the Agreement.
7. Each and every other term, condition or provision of the Agreement shall remain in full force and effect.

**IN THE WITNESS WHEREOF**, the parties hereto have executed the Amendment as of the date set forth above.

"Customer"

"Redflex"

**CITY OF RIVERSIDE**

**REFLEX TRAFFIC SYSTEMS, INC.,**

By: \_\_\_\_\_  
Name: SCOTT BARBER  
Title: INTERIM CITY MANAGER

By: Karen Finley  
Name: KAREN FINLEY  
Title: CHIEF EXECUTIVE OFFICER

Attest: \_\_\_\_\_  
CITY CLERK

By: Sean Nolen  
Name: SEAN NOLEN  
Title: CHIEF FINANCIAL OFFICER

**APPROVED AS TO FORM**

[Signature]  
SUPERVISING DEPUTY CITY ATTORNEY

## EXHIBIT "A"

### Designated Intersection Approaches

The Agreement is for the continued operational services of the following current Designated Intersection Approaches:

RIV-14MU-01	Mulberry St and Fourteenth St, Eastbound
RIV-3CH-01	Chicago Ave and 3 <sup>rd</sup> St, Eastbound
RIV-CH3-01	Chicago Ave and 3 <sup>rd</sup> St, Northbound
RIV-ALSC-01	Alessandro Blvd and Sycamore Canyon Blvd, Westbound
RIV-ARVB-01	Arlington Ave and Van Buren Blvd, Eastbound
RIV-CCCE-01	Canyon Crest Dr and Central Ave, Northbound
RIV-CHAL-01	Chicago Ave and Alessandro Blvd, Westbound
RIV-CHML-01	Chicago Ave and Martin Luther King Blvd, Northbound
RIV-COMA-01	Columbia Ave and Main St, Westbound
RIV-CSDA-01	Day Street and Canyon Springs Pkwy, Eastbound
RIV-INAR-01	Indiana Ave and Arlington Ave, Northbound
RIV-INAR-03	Indiana Ave and Arlington Ave, Northbound
RIV-INTY-01	Indiana Ave and Tyler St, Westbound
RIV-INVB-01	Van Buren Blvd and Indiana Ave, Eastbound
RIV-IOUN-01	University Ave and Iowa Ave, Southbound
RIV-MACO-01	Columbia Ave and Main Street, Northbound
RIV-MATY-01	Magnolia Ave and Tyler Street, Westbound
RIV-MAUN-01	Market Street and University Ave, Southbound
RIV-MILI-01	Mission Inn Ave and Lime Street, Westbound
RIV-MU14-01	Mulberry Street and Fourteenth Street, Southbound
RIV-TY91-01	Southbound Tyler Street and SR91 WB Ramps, Eastbound
RIV-UNIO-01	University Ave and Iowa Ave, Eastbound
RIV-VBAR-01	Arlington Ave and Van Buren Blvd, Northbound
RIV-VBAR-03	Arlington Ave and Van Buren Blvd, Southbound
RIV-VBDU-01	Van Buren Blvd and Dufferin Ave, Southbound
RIV-VBDU-03	Van Buren Blvd and Dufferin Ave, Northbound
RIV-VBIN-01	Van Buren Blvd and Indiana Ave, Northbound
RIV-VBTR-01	Van Buren Blvd and Trautwein Road/Cole Ave, Eastbound
RIV-VBTR-03	Van Buren Blvd and Trautwein Road/Cole Ave, Westbound
RIV-VBWO-01	Van Buren Blvd and Wood Road, Eastbound

Upon mutual agreement between Reflex and the Customer, the above Designated Intersection Approaches may be relocated and New Approaches as defined in exhibit "D" may be added as warranted by community safety and traffic needs.

**EXHIBIT "D"**  
**COMPENSATION AND PRICING**

**1. Fixed Monthly Fee**

- a. Tier One Pricing: Commencing on the effective date of the Renewal Term, Customer shall be obligated to pay Redflex a fixed monthly fee of \$5,400.00 per current Designated Intersection Approach (and any relocated approach) and continuing until June 30, 2012, unless otherwise stated herein. Commencing July 1, 2012, Customer shall receive a reduction in the fixed pricing of the Designated Intersection Approaches, including any relocated approach, and shall be obligated to pay Redflex a fixed monthly fee of \$4,903.59 per Designated Intersection Approach, including any relocated approach, and continuing until contract expiration or termination in accordance with the provisions as set forth herein for the continued operation of the current Designated Intersection Approaches listed in Exhibit "A", unless otherwise stated herein.
- b. Tier Two New Approaches: "New Approach" means the installation of any new Photo Red Light Enforcement Approach over and above the current 30 Designated Intersection Approaches set forth in Exhibit "A". The term "New Approaches" does not include the relocation of one of the existing Approaches set forth in Exhibit "A". Commencing on the effective date of the Renewal Term, for each New Approach whose construction is completed prior to January 1, 2013, Customer shall be obligated to pay a monthly fee of \$5,016.82. For any New Approach whose construction is completed on or after January 1, 2013, the Customer shall be obligated to pay a monthly fee of \$5,833.15. Payment for any New Approach shall not begin until after the expiration of the 30-Day Warning Period.
- c. Tier Three Pricing: Upon reaching sixty (60) months from the date each Designated Approach, including any relocated approach and/or New Approach as defined above, began issuing citations, pricing for said Designated Intersection Approach, including any relocated approach and/or New Approach, shall be reduced to a monthly fee of \$3,850.89.

2. Cost Neutrality. All references to Cost Neutrality are hereby removed and rendered inoperative.

**3. Relocation of Existing Approaches**

- a. The Customer may relocate up to eight (8) of the current 30 Intersection Approaches at no additional cost to the Customer. Upon re-installation of said relocated Intersection Approaches and completion of the respective 30-Day Warning Period Pricing for the relocated Intersection Approach shall remain the same as prior to the relocation. For any relocation above eight (8) cameras, the Customer will absorb actual relocation construction costs of up to \$25,000 per system relocated. If actual costs are below \$25,000, the Customer will pay actual costs. If actual costs exceed

\$25,000, Redflex will absorb the difference. Redflex will provide the Customer with an itemized list of costs within 60 days of the completion of each system relocated.

#### **4. Business Assumptions for All Pricing Options**

- a. In the event that the contract ends or is terminated and an invoice balance is still owed to Redflex, all subsequent receipts from automated red light violations for a period of twelve (12) months from the date of termination will be applied to such balance and paid to Redflex.
- b. Payment will only be made by Customer up to the amount of cash received by Customer from the County through the collection of red light citations up to the amount currently due.
- c. Customer to open special revenue account and payments to Redflex will come only from the available balance in that account up to the amount currently due, including any unpaid prior invoiced amounts.
- d. Each year, effective on July 1<sup>st</sup>, the pricing will increase by the CPI. The CPI will be derived from the publication of the U.S. Department of Labor Consumer Price Index for U.S. City average for the twelve month period ending in June.
- e. Except where a balance remains unpaid due to a deficit in the gross cash received as described herein, Customer agrees to pay Redflex 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 the date of invoice.
- f. 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 Customer shall provide at no cost the necessary encroachment permits.
- g. If a system is deactivated at the City's request due to roadway construction, the monthly fee will be suspended for any period up to 30 days. If the duration of said construction exceeds thirty (30) days, Customer shall be billed at a rate of \$1,500.00 per month per deactivated Approach through the end of the construction.
- h. Within sixty (60) days of a written notification by the Customer, Redflex is to conduct and submit completed surveys for up to twenty (20) intersections per request at no additional cost to the Customer.
- i. Expert Court Testimony. Redflex shall provide expert court testimony for use by the Customer in prosecuting Violations, at no cost.
- j. Customer has the right to reduce the number of Designated Intersection Approaches listed in Exhibit "A" without cost, expense or other liability upon thirty (30) days written notice to Redflex.

#### **5. Operating Cost Deduction**

- a. The Customer's program operating costs have been established at \$500 per month per Intersection Approach. Prior to submitting payment to Redflex, Customer may deduct \$500 per Intersection Approach per month. (i.e., at full deployment of fifteen intersections with two enforced directional approaches or 30 systems, the City will retain initial \$15,000 gross revenue per month to cover Customer Operation Costs).