

RETURN TO:

CITY OF FEDERAL WAY LAW DEPARTMENT

REQUEST FOR CONTRACT PREPARATION/DOCUMENT REVIEW/SIGNATURE ROUTING SLIP

1. ORIGINATING DEPT./DIV: POLICE DEPT. - TRAFFIC

2. ORIGINATING STAFF PERSON: STAN McCALL EXT: 6715 3. DATE REQ. BY: 5-15-09

4. TYPE OF DOCUMENT REQUESTED (CHECK ONE)

<input type="checkbox"/> PROFESSIONAL SERVICE AGREEMENT	<input type="checkbox"/> SECURITY DOCUMENT (E.G. AGREEMENT & PERF/MAIN BOND; ASSIGNMENT OF FUNDS IN LIEU OF BOND)
<input type="checkbox"/> MAINTENANCE/LABOR AGREEMENT	<input type="checkbox"/> CONTRACTOR SELECTION DOCUMENT
<input type="checkbox"/> PUBLIC WORKS CONTRACT	(E.G., RFB, RFP, RFQ)
<input type="checkbox"/> SMALL PUBLIC WORKS CONTRACT (LESS THAN \$200,000)	<input checked="" type="checkbox"/> CONTRACT AMENDMENT
<input type="checkbox"/> PURCHASE AGREEMENT (MATERIALS, SUPPLIES, EQUIPMENT)	<input type="checkbox"/> CDBG
<input type="checkbox"/> REAL ESTATE DOCUMENT	<input type="checkbox"/> OTHER

AG#: 08-048

5. PROJECT NAME: RED LIGHT PHOTO ENFORCEMENT

6. NAME OF CONTRACTOR: AMERICAN TRAFFIC SOLUTIONS (ATS)
 ADDRESS: 14861 N. SCOTTSDALE RD STE #109 TELEPHONE 480-368-0900
 SIGNATURE NAME: _____ TITLE _____

7. ATTACH ALL EXHIBITS AND CHECK BOXES SCOPE OF SERVICES ALL EXHIBITS REFERENCED IN DOCUMENT
 INSURANCE CERTIFICATE DOCUMENT AUTHORIZING SIGNATURE

8. TERM: COMMENCEMENT DATE: _____ COMPLETION DATE: 6/16/2010 (242 TERM)

9. TOTAL COMPENSATION \$ FEE SCHED. IN CONTRACT (INCLUDE EXPENSES AND SALES TAX, IF ANY)
 (IF CALCULATED ON HOURLY LABOR CHARGE - ATTACH SCHEDULES OF EMPLOYEES TITLES AND HOLIDAY RATES)
 REIMBURSABLE EXPENSE: YES NO IF YES, MAXIMUM DOLLAR AMOUNT: \$ _____
 IS SALES TAX OWED YES NO IF YES, \$ _____ PAID BY: CONTRACTOR CITY
 PURCHASING: PLEASE CHARGE TO: _____

10. CONTRACT REVIEW

<input type="checkbox"/> PROJECT MANAGER	INITIAL/DATE APPROVED	INITIAL/DATE APPROVED
<input type="checkbox"/> DIRECTOR	_____	_____
<input type="checkbox"/> RISK MANAGEMENT (IF APPLICABLE)	_____	_____
<input checked="" type="checkbox"/> LAW	<u>AW 5/15 as changed</u>	_____

11. CONTRACT SIGNATURE ROUTING

<input type="checkbox"/> LAW DEPARTMENT	INITIAL/DATE APPROVED	INITIAL/DATE APPROVED
<input checked="" type="checkbox"/> CITY MANAGER	<u>AJP 7.21.9</u>	_____
<input checked="" type="checkbox"/> CITY CLERK	<u>Division 7/21/2009</u>	_____
<input checked="" type="checkbox"/> SIGN COPY BACK TO ORIGINATING DEPT.	_____	_____
<input checked="" type="checkbox"/> ASSIGNED AG# <u>08-048B</u>	_____	_____

COMMENTS

PLEASE REVIEW THIS CONTRACT RENEWAL AMENDMENT
FINALIZE & APPROVE FOR COUNCIL CONSIDERATION - (Signature)

Amend term

**SECOND CHANGE ORDER
TO
PROFESSIONAL SERVICES AGREEMENT
FOR
TRAFFIC SAFETY CAMERA SYSTEM**

This Second Change Order ("Change Order") is dated effective this 20th day of July, 2009, and is entered into by and between the City of Federal Way, a Washington municipal corporation ("City"), and American Traffic Solutions, INC, ("Consultant").

A. The City and Consultant entered into a Professional Services Agreement dated effective March 28th, 2008 whereby Consultant agreed to provide red light photo enforcement services ("Agreement"), as amended by the First Change Order on October 21st, 2008.

B. Section 24 and Section 1 of the Agreement provide that the Agreement may only be amended by written change order.

C. The City and the Consultant desire to amend the Agreement to extend the term of the agreement.

NOW, THEREFORE, the parties agree to the following terms and conditions:

1. Term of Contract

Section 3 of the Agreement shall be amended to extend the term of the contract until June 16th, 2010. The City, at its sole discretion, may extend the term of the contract for two additional three (3) year terms upon approval by the City Manager.

2. Ratification

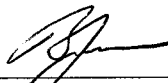
Any act done by either party consistent with the authority of the Agreement after the previous expiration date and prior to the effective date of this amendment, is hereby ratified as having been performed under the Agreement as it existed prior to this amendment.

3. Full Force and Effect.

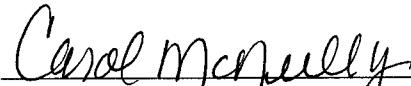
All other terms and conditions of the Agreement not modified by this Amendment shall remain in full force and effect.

DATED the effective date set forth above.

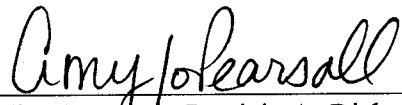
CITY OF FEDERAL WAY

By:  7/21/2009
Brian J. Wilson
Interim City Manager
33325 8th Ave S
PO BOX 9718
Federal Way, WA 98063-9718


ATTEST:


City Clerk, Carol McNeilly, CMC

APPROVED AS TO FORM:

 FOR
City Attorney, Patricia A. Richardson

AMERICAN TRAFFIC SOLUTIONS, INC

By: 
(Signature)

Adam Tipton
(Name)

Its: COO/EVP
(Title)

7681 E. GRAY RD.
SCOTTSDALE, AZ 85260
(Address)

480-443-7000
(Phone)

RETURN TO:

CITY OF FEDERAL WAY LAW DEPARTMENT

REQUEST FOR CONTRACT PREPARATION/DOCUMENT REVIEW/SIGNATURE ROUTING SLIP

1. ORIGINATING DEPT./DIV: POLICE DEPT. - TRAFFIC
 2. ORIGINATING STAFF PERSON: STAN MCCALL EXT: 6715 3. DATE REQ. BY: 5-15-09

4. TYPE OF DOCUMENT REQUESTED (CHECK ONE)
 PROFESSIONAL SERVICE AGREEMENT
 MAINTENANCE/LABOR AGREEMENT
 PUBLIC WORKS CONTRACT
 SMALL PUBLIC WORKS CONTRACT
 (LESS THAN \$200,000)
 PURCHASE AGREEMENT
 (MATERIALS, SUPPLIES, EQUIPMENT)
 REAL ESTATE DOCUMENT
 SECURITY DOCUMENT (E.G. AGREEMENT & PERF/MAIN BOND; ASSIGNMENT OF FUNDS IN LIEU OF BOND)
 CONTRACTOR SELECTION DOCUMENT
 (E.G., RFB, RFP, RFQ)
 CONTRACT AMENDMENT AG#: 08-048
 CDBG
 OTHER

5. PROJECT NAME: RED LIGHT PHOTO ENFORCEMENT
 6. NAME OF CONTRACTOR: AMERICAN TRAFFIC SOLUTIONS (ATS)
 ADDRESS: 14861 N. SOUTTSDALE RD STE 109 TELEPHONE 480-368-0900
 SIGNATURE NAME: _____ TITLE _____

7. ATTACH ALL EXHIBITS AND CHECK BOXES SCOPE OF SERVICES ALL EXHIBITS REFERENCED IN DOCUMENT
 INSURANCE CERTIFICATE DOCUMENT AUTHORIZING SIGNATURE

8. TERM: COMMENCEMENT DATE: _____ COMPLETION DATE: _____ (2 yr term)

9. TOTAL COMPENSATION \$ FEE SCHED IN CONTRACT (INCLUDE EXPENSES AND SALES TAX, IF ANY)
 (IF CALCULATED ON HOURLY LABOR CHARGE - ATTACH SCHEDULES OF EMPLOYEES TITLES AND HOLIDAY RATES)
 REIMBURSABLE EXPENSE: YES NO IF YES, MAXIMUM DOLLAR AMOUNT: \$ _____
 IS SALES TAX OWED YES NO IF YES, \$ _____ PAID BY: CONTRACTOR CITY
 PURCHASING: PLEASE CHARGE TO: _____

10. CONTRACT REVIEW	<u>INITIAL/DATE APPROVED</u>	<u>INITIAL/DATE APPROVED</u>
<input type="checkbox"/> PROJECT MANAGER	_____	_____
<input type="checkbox"/> DIRECTOR	_____	_____
<input type="checkbox"/> RISK MANAGEMENT (IF APPLICABLE)	_____	_____
<input checked="" type="checkbox"/> LAW	<u>AW 5/15 as changed</u>	_____

11. CONTRACT SIGNATURE ROUTING	<u>INITIAL/DATE APPROVED</u>	<u>INITIAL/DATE APPROVED</u>
<input type="checkbox"/> LAW DEPARTMENT	<u>AJP 7-21-9</u>	_____
<input checked="" type="checkbox"/> CITY MANAGER	<u>DW/KM 7/21/2009</u>	_____
<input checked="" type="checkbox"/> CITY CLERK	_____	_____
<input checked="" type="checkbox"/> SIGN COPY BACK TO ORIGINATING DEPT.	_____	_____
<input checked="" type="checkbox"/> ASSIGNED AG# <u>08-048A</u>	_____	_____

COMMENTS
PLEASE REVIEW THIS CONTRACT RENEWAL AMENDMENT
FINALIZE & APPROVE FOR COUNCIL CONSIDERATION (S)

Amending Scope of Svs.

**FIRST CHANGE ORDER
TO
PROFESSIONAL SERVICES AGREEMENT
FOR
TRAFFIC SAFETY CAMERA SYSTEM**

This First Change Order ("Change Order") is dated effective this 21st day of DC/ADPEX, 2007 and is entered into by and between the City of Federal Way, a Washington municipal corporation ("City"), and American Traffic Solutions, LLC, ("Consultant").

A. The City and Consultant entered into a Professional Services Agreement dated effective March 28th, 2008 whereby Consultant agreed to provide red light photo enforcement services ("Agreement").

B. Section 24 and Section 1 of the Agreement provided that the Agreement may only be amended by written change order.

C. The City and the Consultant desire to amend the Agreement to expand the scope of work to be performed by the Consultant and to increase the compensation paid to the Consultant.

NOW, THEREFORE, the parties agree to the following terms and conditions:

1. Scope of Work.

Section 1 of the Agreement and the Scope of Work attached as Exhibit "A" to the Agreement shall be amended to include those additional services more particularly described in Exhibit "A-1" attached hereto and incorporated by this reference ("Additional Services").

2. Compensation.

In consideration of Consultant providing the Services described in Section 1 of the Agreement, including the additional services, Section 2.2.1 shall be amended to increase the compensation paid to the Consultant by an additional amount not to exceed Nine Thousand One Hundred Fifty Two and 90/100 Dollars (\$9,152.90).

3. Ratification.

Any act done by either party consistent with the authority of the Agreement after the previous expiration date and prior to the effective date of this amendment, is hereby ratified as having been performed under the Agreement as it existed prior to this amendment.

4. Full Force and Effect.

All other terms and conditions of the Agreement not modified by this Amendment shall remain in full force and effect.

DATED the effective date set forth above.

CITY OF FEDERAL WAY

By: 7/21/2015
Shen W. Wilton, Island City Manager
~~Gary M. Roc, P. E.~~
~~Assistant City Manager/Chief Operating Officer~~
Emergency Manager
33325 8th Ave S
PO BOX 9718
Federal Way, WA 98063-9718

ATTEST:

Carol McNeilly
City Clerk, Carol McNeilly, CMC

APPROVED AS TO FORM:

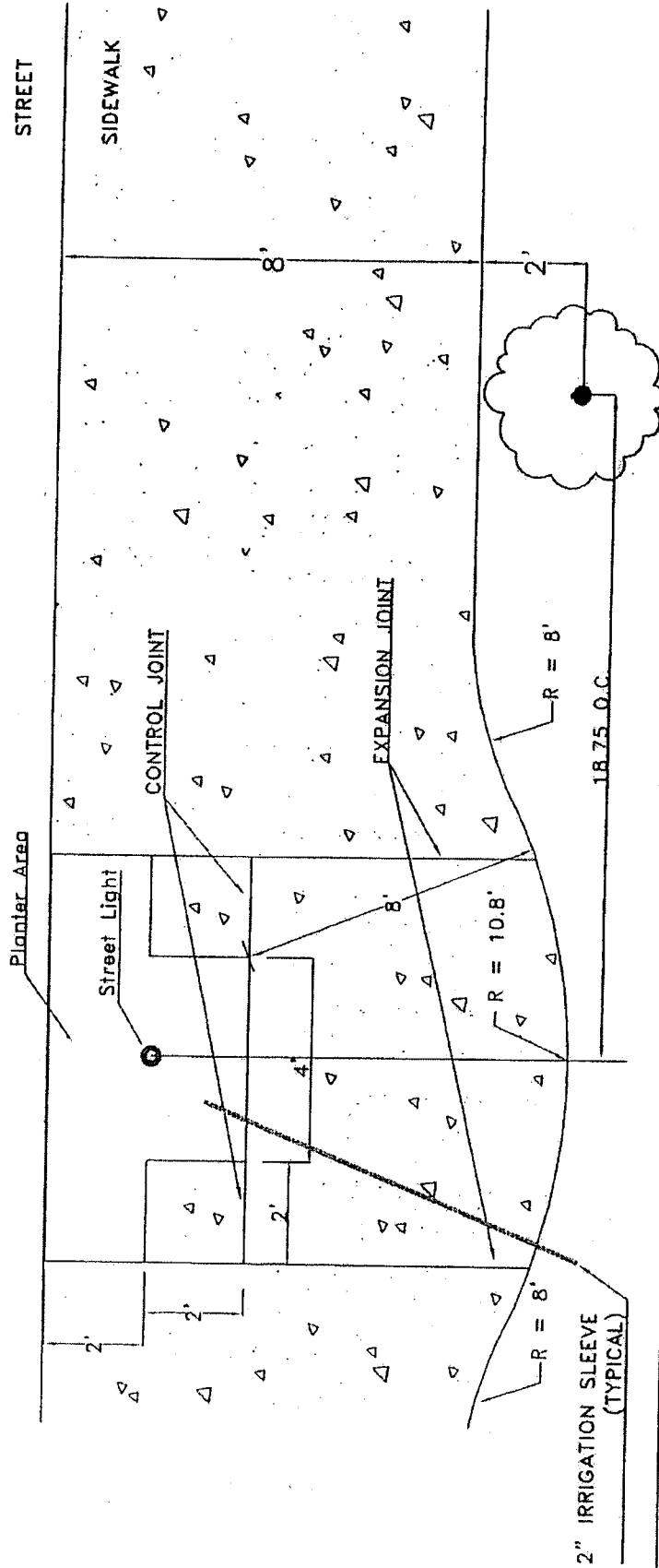
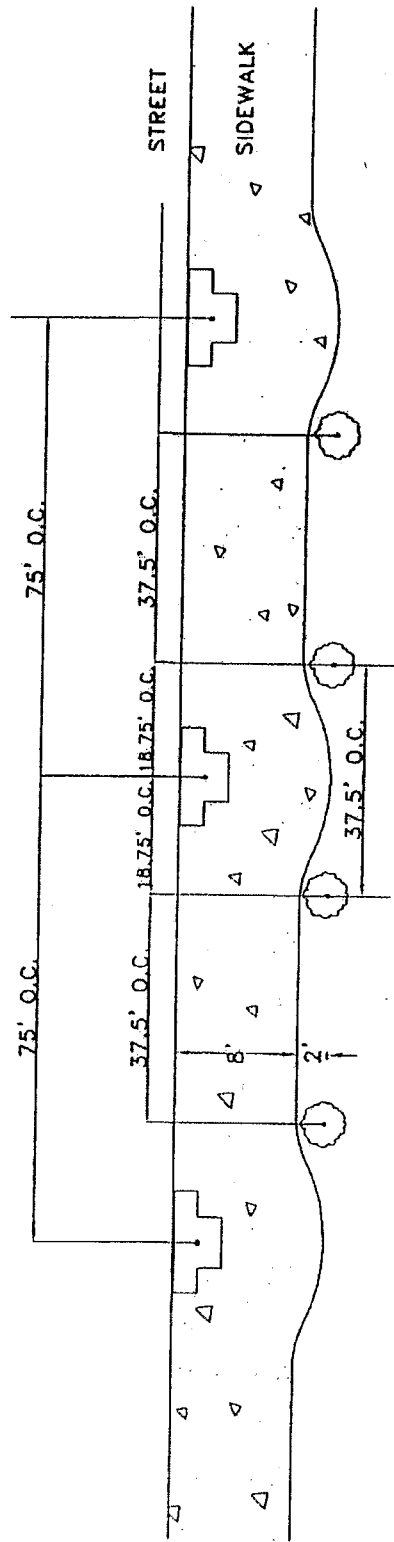
Amy J. Pearsall, For
City Attorney, Patricia A. Richardson

AMERICAN TRAFFIC SOLUTIONS, LLC

By: A
(Signature)
Adam Tipton
(Name)
Its: Chief Operating Officer
(Title)
7181 E. Gray Road
Scottsdale AZ 85260
(Address)
480-443-7000
(Phone)

**EXHIBIT A-1
TO
PROFESSIONAL SERVICES AGREEMENT
FOR
Traffic Safety Camera System**

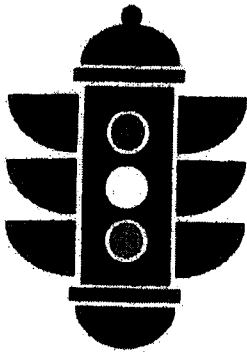
Where red light cameras have been installed within sidewalks, Consultant shall modify sidewalk in accordance with City Standard Detail 3-30A. Sidewalk cross section, surface finish and expansion joints shall be per City development standards. No street trees shall be installed. Cut or fill slopes at the back of walk shall be no steeper than 3h:1v. Surface restoration at the back of walk shall match surrounding surface treatment, consisting of 2 inches of asphalt concrete pavement, sod lawn or 3 inches of bark mulch, as appropriate. Surface treatment shall match sidewalk surface elevation at the back of walk.



PUBLIC WORKS

S 320TH ST. Street Tree & Street Light Layout

DWG. 3-30A
NO.



Signal Electric, Inc.

P.O. BOX 6209
(253) 872-7177

KENT, WASHINGTON 98064-6209
FAX (253) 395-0556

CONTRACTORS LICENSE NO. SIGNAE*321K7

QUOTATION: Additional Concrete

PROJECT NAME: Federal Way Phase 1


BID DATE: 8/13/2008

ITEM #	DESCRIPTION	QTY	UNIT \$	TOTAL
1	Additional Concrete Side Walk	2	37.5' x 8'	LS
		1	20' x 8'	LS
2	Traffic Control	X 5	Mark Up 15%	\$ 6,446.00
3	Landscape		\$48.00HR	\$ 966.90
			LS	\$ 240.00
			Total	\$1,500.00
				\$9,152.90

15% OF SIGNAL ELECTRIC'S LABOR IS AN APPRENTICESHIP PROGRAM CERTIFIED BY L&I

Exclusions: Wages For Federal Way Police officers

SURVEY BY OTHERS


Archie Feagan

PLEASE NOTE:
ALL QUOTATIONS ARE SUBJECT TO CHANGE 30 DAYS FROM DATE OF BID OPENING, IF NOT ACCEPTED

RETURN TO:

CITY OF FEDERAL WAY LAW DEPARTMENT

REQUEST FOR CONTRACT PREPARATION/DOCUMENT REVIEW/SIGNATURE ROUTING SLIP

1. ORIGINATING DEPT./DIV: POLICE DEPT. - TRAFFIC

2. ORIGINATING STAFF PERSON: LT. CONNIE SHUPP EXT: 6726 3. DATE REQ. BY: _____

4. TYPE OF DOCUMENT REQUESTED (CHECK ONE)

- PROFESSIONAL SERVICE AGREEMENT
- MAINTENANCE/LABOR AGREEMENT
- PUBLIC WORKS CONTRACT
- SMALL PUBLIC WORKS CONTRACT
(LESS THAN \$200,000)
- PURCHASE AGREEMENT
(MATERIALS, SUPPLIES, EQUIPMENT)
- REAL ESTATE DOCUMENT

- SECURITY DOCUMENT (E.G. AGREEMENT & PERF/MAIN BOND; ASSIGNMENT OF FUNDS IN LIEU OF BOND)
- CONTRACTOR SELECTION DOCUMENT
(E.G., RFB, RFP, RFQ)
- CONTRACT AMENDMENT
- CDBG
- OTHER

AG#: 08.048

5. PROJECT NAME: RED LIGHT PHOTO ENFORCEMENT

6. NAME OF CONTRACTOR: AMERICAN TRAFFIC SOLUTIONS
ADDRESS: 14861 N. SCOTTSDALE RD STE 109 TELEPHONE 480-348-0908
SIGNATURE NAME: _____ TITLE _____

7. ATTACH ALL EXHIBITS AND CHECK BOXES SCOPE OF SERVICES ALL EXHIBITS REFERENCED IN DOCUMENT
 INSURANCE CERTIFICATE DOCUMENT AUTHORIZING SIGNATURE

8. TERM: COMMENCEMENT DATE: 3/28/07 COMPLETION DATE: 3/28/09 1 year pilot program

9. TOTAL COMPENSATION \$ NTE - Schedule 1 Fees (INCLUDE EXPENSES AND SALES TAX, IF ANY)
(IF CALCULATED ON HOURLY LABOR CHARGE - ATTACH SCHEDULES OF EMPLOYEES TITLES AND HOLIDAY RATES)

REIMBURSABLE EXPENSE: YES NO IF YES, MAXIMUM DOLLAR AMOUNT: \$ _____
IS SALES TAX OWED YES NO IF YES, \$ _____ PAID BY: CONTRACTOR CITY

PURCHASING: PLEASE CHARGE TO: See PO - Tho

10. CONTRACT REVIEW	INITIAL/DATE APPROVED	INITIAL/DATE APPROVED
<input type="checkbox"/> PROJECT MANAGER	_____	_____
<input type="checkbox"/> DIRECTOR	_____	_____
<input type="checkbox"/> RISK MANAGEMENT (IF APPLICABLE)	_____	_____
<input checked="" type="checkbox"/> LAW	<u>11/7 9N minor changes</u>	<u>CHARLES MAJDE</u>
	<u>11 4-7</u>	<u>11/13/07 et.</u>

11. CONTRACT SIGNATURE ROUTING	INITIAL/DATE APPROVED	INITIAL/DATE APPROVED
<input checked="" type="checkbox"/> LAW DEPARTMENT <u>3/4/08</u>	<u>to 3/4/08</u>	_____
<input type="checkbox"/> CITY MANAGER	<u>3/28/08</u>	_____
<input type="checkbox"/> CITY CLERK	_____	_____
<input type="checkbox"/> SIGN COPY BACK TO ORGINATING DEPT.	_____	_____
<input type="checkbox"/> ASSIGNED AG# <u>08.048</u>	_____	_____

COMMENTS PLEASE REVIEW RLPE CONTRACT. SEATTLE INTERLOCAL AGREEMENT ATTACHED.

CITY OF FEDERAL WAY
PROFESSIONAL SERVICES AGREEMENT
Contract Title: Traffic Safety Camera System
Contract #:

THIS AGREEMENT made and entered into on this 28th day of March 2009, by and between the City of Federal Way, a Washington Municipal Corporation (the "City"), and American Traffic Solutions, Inc., the Consultant (the "Consultant").

Consultant Business:	American Traffic Solutions, <u>Inc.</u>
Consultant Address:	14861 N. Scottsdale Road, Ste 109, Scottsdale, AZ 85254
Consultant Phone:	480-368-0900
Consultant Fax:	480-607-0901
Contact Name	Adam E. Tuton or Chief Operating Officer
Consultant e-mail:	<u>adam.tuton@atsol.com</u>
Federal Employee ID No.:	48-1114931
Authorized City Representative for this contract:	Assistant City Manager Cary Roe

WHEREAS, the City desires to implement and operate a turnkey traffic safety camera system pursuant to Washington State Law 46.63.170; and

WHEREAS, public convenience and necessity require the City to obtain the services of a Consultant with photo enforcement implementation and operations experience; and

WHEREAS, the City of Seattle awarded a contract to American Traffic Solutions, Inc. for a traffic safety camera system as a result of a competitive solicitation; and

WHEREAS, American Traffic Solutions, Inc., extends the City of Seattle contract to the City of Federal Way and such agreement is the basis for this contract; and

WHEREAS, the City finds that Consultant is qualified to perform and is experienced in performing the required services; and

WHEREAS, the City desires to engage the Consultant to provide traffic safety camera services, also known as photo enforcement services;

NOW, THEREFORE, the parties herein do mutually agree as follows:

1. Employment of Consultant.

1.1 The City retains the Consultant to provide the services described in "Exhibit A – Scope of Work" (the "Work"). Any inconsistency between this Agreement and the Scope of Work shall be resolved in favor of this Agreement. The Consultant shall perform the Work according to the terms and conditions of this Agreement.

1.2 The City may revise the Work and the compensation only by a written Change Order signed by the authorized City representative that shall become a part of this Agreement.

1.3 The project manager(s) of the Work shall be Lieutenant Mark Bensen and Ray Pedrosa. The project manager(s) shall not be replaced without the prior written consent of the City.

1.4 Work shall commence when the City issues a notice to proceed and it shall be completed no later than 90 days after receipt of the last installation permit, unless the completion date is extended in writing by the City.

2. Payment Terms.

2.1 Compensation

2.1.1 The total compensation to be paid to Consultant, including all services and expenses, shall not exceed the fees indicated on each Work Order Exhibit, which shall be full compensation for the Work.

2.1.2 The Consultant shall be paid in such amounts and in such manner as described in each Work Order Exhibit.

2.1.3 Pricing shall be fixed and firm through the pilot project and for a total of five years, assuming the City elects to continue the project,

2.1.4 For service charge adjustment beyond the initial 5 years, the basis for adjustment shall:

- (a) Be County or other pricing index appropriate to the particular product herein;
- (b) Not produce a higher profit margin than that on the original contract;
- (c) Clearly identify the items impacted by the increase;
- (d) Be accompanied by documentation acceptable to the City sufficient to warrant the price increase request and shall be no greater than the total of changes to the CPI Index for King County; and
- (e) Remain firm for a minimum of 365 days.

2.1.5 This contract includes no reimbursable expenses.

2.2 Cost Neutrality Clause:

After a 3-month ramp up period and during the remaining term of the contract, City shall not be required to pay ATS more than City (or ATS on City's behalf) has collected/received in fines payments through the use of the Axis System cumulatively throughout the term of the contract. For the purposes of this clause, the term "fines" applies to that portion of fines actually retained by the City according to the distribution method applicable under Washington State law.

2.2.1 This clause will be applied as follows:

- (a) If collections for the program during any month are less than the full amount of ATS invoices, ATS shall be entitled the full amount of fines actually collected. ATS will maintain an accounting of any net balances owed to ATS and shall apply future collections first to the accrued balance and then to the current months invoice. At any time that ATS fees and any accrued balances are fully repaid, additional collections will be retained by the City. Any positive revenue balances generated from this program (whether reserved in cash or not by the City) will be used to offset future ATS invoices in the event of monthly deficits.
- (b) Example: If during Year 1 of the program, revenues minus ATS fees yield a net surplus of \$100,000, this amount would be available to pay ATS invoices for any future periods in the event that lesser or no revenue were to be generated in future periods. However, at the point where the (actual or paper) surplus is exhausted, then no additional payments would be due until additional collected fines were available to cover the cumulative deficit. For the purposes of this clause, the accrued surplus is a calculated figure determined by subtracting ATS fees from program fines collected. The obligation to pay is not subject to the existence of cash reserves from the program, for example, if the City chooses to use or has used these surplus funds for any other uses.

2.2.2 This provision shall not apply should the City elect not to enforce illegal right turn on red violations or if City elects not to pursue collections on unpaid violations, or if City directs ATS to install a

camera at a site with an initial starting violation rate of fewer than 10 violations per day, or if City or Police waives more than 10 percent of valid violations forwarded to the Police for acceptance according to business rules.

3. Term of Contract.

3.1 The term of this contract shall commence on the date this agreement is made effective and shall expire one (1) years from that date.

3.2 The City, at its sole discretion, may extend the term of the contract for an additional five (5) years for a total of six (6) years. Such renewal requires the approval of Federal Way City Council.

4. Request for Payment.

4.1 Not more than once every thirty days the Consultant shall file its request for payment, accompanied by evidence satisfactory to the City justifying the request for payment, including a report of Work accomplished and tasks completed, and an itemization of Eligible Expenses with copies of receipts and invoices. Invoices must show a breakdown of services provided and price for each.

4.2 All requests for payment should be sent to

Lieutenant Mark Bensen
City of Federal Way Police Department
33325 8th Ave. S.
Federal Way, WA 98003

5. Work Order Methodology for Approved Work under this Contract:

5.1 Work Order Procedure

ATS shall provide the City the Camera Systems as specified in work orders issued under this Agreement. Each work order shall be a written document having its own specific Scope of Work ("Work Order Scope of Work") identifying the services to be performed and the associated deliverables to be provided and payment terms. Each work order shall be subject to the terms and conditions of this Agreement and shall be incorporated into this Agreement by this reference. ATS shall furnish the City with an integrated turnkey solution; that is, services identified in the work orders shall be provided as a single, complete transaction and not as separate items.

5.2 Work Order #1

Work Order #1 consists of the documents listed in the Scope of Work, Exhibit A to this Contract. Except for items listed as City responsibilities in Work Order #1, ATS shall furnish all services, labor, materials, documentation, equipment, and software to install and test the Camera System, and to provide the specified training, warranties, and maintenance for the System.

5.3 Notice to Proceed on Tasks Identified in Work Orders

The execution of this Agreement shall constitute the City's notice to ATS to proceed with Work Order #1. For each subsequent work order under this Agreement, ATS shall commence work upon issuance of a written notice to proceed from the City.

5.4 Additional Work Orders

5.4.1 Additional work orders issued under this Agreement may be generated by the City for the following purposes:

- (a) Upgrade(s) of equipment, software, or change(s) of any deliverable provided hereunder; and
- (b) Any other items related to red light traffic safety system for which the City places an order.

5.4.2 For any work order(s) requested by either party subsequent to Work Order #1, ATS shall submit to the City for its review and approval a detailed proposal for the scope, implementation plan,

milestones, test and acceptance procedures, as well as the cost consistent with previous work orders, the RFP and RFP response. Once this proposal is received and approved by the City, a new work order will be issued for the change or additional work. Upon the City's written approval and notice to proceed, ATS shall implement the change or additional work and invoice for the changed or additional work consistent with the City's approval notice and the terms and conditions of this Agreement.

6. Termination of Contract.

6.1 For Cause: The City may terminate this Contract if the Consultant is in material breach of any terms of this Contract, and such breach has not been corrected according to established standards and agreed upon designs indicated in a valid Work Order within thirty (30) days from notice of breach. For purposes of this subsection, a material breach is defined as a failure to perform any work identified in Paragraph 1 of the Scope of Work (Exhibit A) or a failure to comply with the duties contained in the paragraphs of this contract.

6.2 For City's Convenience: The City may terminate this Contract in whole or in part, without cause and for any reason including The City's convenience, upon written notice to the Consultant after the conclusion of the first 12 months from activation of the Camera Systems in Work Order #1.

6.3 Acts of Insolvency: The City may terminate this Contract by written notice to Consultant if the Consultant becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under any bankruptcy or insolvency law whether domestic or foreign, or is wound up or liquidated, voluntarily or otherwise.

6.4 Notice: The City is not required to provide advance notice of termination. Notwithstanding, the City may issue a termination notice with an effective date later than the termination notice itself. In such case, the Consultant shall continue to provide products and services as required by the City until the effective date provided in the termination notice.

6.5 Removal of equipment: In the event of termination of the Contract, Consultant agrees to leave City property undamaged after removal of any Consultant equipment.

7. Assignment of Contract – Subconsultants. Consultant shall not assign this contract or sub-contract or assign any of the Work without the prior written consent of the City.

8. Indemnification.

8.1 To the extent provided by law and irrespective of any insurance required of the Consultant, the Consultant shall defend and indemnify the City from any and all Claims arising out of or in any way relating to this Agreement; provided, however, the requirements of this paragraph shall not apply to that portion of such Claim that reflects the percentage of negligence of the City compared to the total negligence of all persons, firms or corporations that resulted in the Claim.

8.2 Consultant agrees that the provisions of this paragraph 8 apply to any claim of injury or damage to the persons or property of consultant's employees. As to such claims and with respect to the City only, consultant waives any right of immunity, which it may have under industrial insurance (Title 51 RCW and any amendment thereof or substitution therefore). THIS WAIVER IS SPECIFICALLY NEGOTIATED BY THE PARTIES AND IS SOLELY FOR THE BENEFIT OF THE CITY AND CONSULTANT.

8.3 As used in this paragraph: (1) "City" includes the City's officers, employees, agents, and representatives; (2) "Consultant" includes employees, agents, representatives sub-consultants; and (3) "Claims" include, but is not limited to, any and all losses, claims, causes of action, demands, expenses, attorney's fees and litigation expenses, suits, judgments, or damage arising from injury to persons or property.

8.4 Consultant shall ensure that each sub-consultant shall agree to defend and indemnify the City to the extent and on the same terms and conditions as the Consultant pursuant to this paragraph.

9. Insurance.

9.1 Consultant shall comply with the following conditions and procure and keep in force at all times during the term of this Agreement, at Consultant's expense, the following policies of insurance with companies authorized to do business in the State of Washington. The Consultant's insurance shall be rated by A. M. Best Company at least "A" or better with a numerical rating of no less than seven (7) and otherwise acceptable to the City.

9.2 Workers' Compensation Insurance as required by Washington law and Employer's Liability Insurance with limits not less than \$1,000,000 per occurrence. If the City authorizes sublet work, the Consultant shall require each sub-consultant to provide Workers' Compensation Insurance for its employees, unless the Consultant covers such employees.

9.3 Commercial General Liability Insurance on an occurrence basis in an amount not less than \$1,000,000 per occurrence and at least \$2,000,000 in the annual aggregate, including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.

9.4 Business Automobile Liability Insurance in an amount not less than \$1,000,000 per occurrence, extending to any automobile. A statement certifying that no vehicle will be used in accomplishing this Agreement may be substituted for this insurance requirement.

9.5 Each policy shall contain a provision that the policy shall not be canceled or materially changed without 45 days prior written notice to the City.

9.6 Upon written request to the City, the insurer will furnish, before or during performance of any Work, a copy of any policy cited above, certified to be a true and complete copy of the original.

9.7 Before the Consultant performs any Work, Consultant shall provide the City with a Certificate of Insurance acceptable to the City Attorney evidencing the above-required insurance and naming the City of Federal Way, its officers, employees and agents as Additional Insureds on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance on behalf of such Additional Insureds. Receipt by the City of any certificate showing less coverage than required is not a waiver of the Consultant's obligations to fulfill the requirements.

9.8 Consultant shall comply with the provisions of Title 51 of the Revised Code of Washington before commencing the performance of the Work. Consultant shall provide the City with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.

9.9 In case of the breach of any provision of this section, the City may provide and maintain at the expense of Consultant insurance in the name of the Consultant and deduct the cost of providing and maintaining such insurance from any sums due to Consultant under this Agreement, or the City may demand Consultant to promptly reimburse the City for such cost.

10. Independent Contractor. The Consultant is an independent Contractor responsible for complying with all obligations of an employer imposed under federal or state law. Personnel employed by Consultant shall not acquire any rights or status regarding the City.

11. Employment. The Consultant warrants that it did not employ or retain any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement or pay or agree to pay any such company or person any consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right either to terminate this Agreement without liability or to deduct from the Agreement price or consideration or to otherwise recover, the full amount of such consideration.

12. Audits and Inspections. The Consultant shall make available to the City during normal business hours and as the City deems necessary for audit and copying all of the Consultant's records and documents with respect to all matters covered by this Agreement.

13. City of Federal Way Business License. Consultant shall obtain a City of Federal Way business license before performing any Work.

14. Taxes, Fees, and Licenses.

14.1 Taxes: Where required by state statute, ordinance or regulation, Consultant shall pay for and maintain in current status all taxes that are necessary for contract performance. Unless otherwise indicated, Federal Way agrees to pay State of Washington sales or use taxes on all applicable consumer services and materials purchased. No charge by the Consultant shall be made for federal excise taxes and Federal Way agrees to furnish Consultant with an exemption certificate where appropriate.

14.2 Fees and Licenses: Consultant shall pay for and maintain in a current status, any license fees, assessments, permit charges, etc., which are necessary for contract performance. It is the Consultant's sole responsibility to monitor and determine any changes or the enactment of any subsequent requirements for said fees, assessments, or charges and to immediately comply with said changes during the entire term of this Contract. Consultant must pay all custom duties, brokerage or import fees where applicable as part of the contract price. Consultant shall take all necessary actions to ensure that materials or equipment purchased are expedited through customs.

15. Representations and Warranties.

15.1 Consultant represents and warrants that it has the requisite training, skill and experience necessary to provide Work and is appropriately accredited and licensed by all applicable agencies and governmental entities.

15.2 Consultant warrants that all materials, equipment, and/or services provided under this Contract shall be fit for the purpose(s) for which intended, for merchantability, and shall conform to the requirements and specifications herein. Acceptance of any service and inspection incidental thereto by Federal Way shall not alter or affect the obligations of the Consultant or the rights of Federal Way.

16. Inspection. Work shall be subject, at all times, to inspection by and with approval of Federal Way, but the making (or failure or delay in making) such inspection or approval shall not relieve Consultant of responsibility for performance of the Work in accordance with this Contract, notwithstanding Federal Way's knowledge of defective or non-complying performance, its substantiality or the ease of its discovery. Consultant shall provide sufficient, safe, and proper facilities and equipment for such inspection and free access to such facilities.

17. Confidential Information:

17.1 If Federal Way notifies the Consultant of a public disclosure request, and the Consultant believes records are exempt from disclosure, it is the Consultant's responsibility to make determination and pursue a lawsuit under RCW 42.56.540 to enjoin disclosure. The Consultant must obtain the injunction and serve it on the City before the close of business on the tenth business day after the City sent notification to the Consultant. It is the Consultant's discretionary decision whether to file the lawsuit.

17.2 If the Consultant does not timely obtain and serve an injunction, the Consultant is deemed to have authorized releasing the record. If the City has notified the Consultant of a public disclosure request, and the Consultant has not obtained an injunction and served the City with that injunction by the close of business on the tenth business day after the City sent notice, the City will then disclose the record.

17.3 Notwithstanding the above, the Consultant must not take any action that would affect (a) the City's ability to use goods and services provided under this Agreement or (b) the Consultant obligations under this Agreement.

17.4 The Consultant will fully cooperate with the City in identifying and assembling records in case of any public disclosure request.

18. Disputes.

18.1 Any dispute or misunderstanding that may arise under this Contract concerning Consultant's performance shall first be resolved, if mutually agreed to be appropriate, through negotiations between the Consultant's Project Manager and Federal Way's Project Manager, or if mutually agreed, referred to the City's named representative and the Consultant's senior executive(s). Either party may decline or discontinue such discussions and may then pursue other means to resolve such disputes, or may by

mutual agreement pursue other dispute alternatives such as alternate dispute resolution processes. Nothing in this dispute process shall in any way mitigate the rights, if any, of either party to terminate the contract in accordance with the termination provisions herein.

18.2 Notwithstanding above, if Federal Way believes in good faith that some portion of Work has not been completed satisfactorily, Federal Way may require Consultant to correct such work prior to Federal Way payment. In such event, Federal Way must clearly and reasonably provide to Consultant an explanation of the concern and the remedy that Federal Way expects. Federal Way may withhold from any payment that is otherwise due, an amount that Federal Way in good faith finds to be under dispute, or if the Consultant does not provide a sufficient remedy, Federal Way may retain the amount equal to the cost to Federal Way for otherwise correcting or remedying the work not properly completed.

19. Conflict of Interest: Consultant confirms that Consultant does not have a business interest or a close family relationship with any City officer or employee who was, is, or will be involved in the Consultant's selection, negotiation, drafting, signing, administration, or evaluating the Consultant's performance.

20. Compliance with Federal, State and Local Laws. Consultant, at its sole cost and expense, shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of the Work.

21. Non-Waiver of Remedies. Any waiver by the Consultant or the City of the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions. Remedies under this Contract are cumulative; the use of one remedy shall not be taken to exclude or waive the right to use another.

22. Liens, Claims and Encumbrances: All materials, equipment, or services shall be free of all liens, claims or encumbrances of any kind and if Federal Way requests a formal release of same it shall be delivered to Federal Way within 5 days of such request.

23. Complete Agreement. This Agreement, including Exhibit A, contains the complete and integrated understanding and agreement between the parties and supersedes any understanding, agreement or negotiation whether oral or written not set forth herein.

24. Modification of Agreement. This Agreement may be modified by a Change Order as provided in ¶11, or by a writing that is signed by authorized representatives of the City and the Consultant.

25. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, the remainder of the Agreement shall remain in full force and effect.

26. Notices.

19.1 Notices to the City of Federal Way shall be sent to the following address:

Assistant City Manager Cary Roe
City of Federal Way
33325 8th Ave. S.
Federal Way, WA 98003

19.2 Notices to the Consultant shall be sent to the following address:

American Traffic Solutions, Inc.
Chief Operating Officer
14861 N. Scottsdale Road, Ste 109, Scottsdale, AZ 85254

27. Jurisdiction and Venue. This Agreement shall be governed by the law of the State of Washington and venue for any lawsuit arising out of this Agreement shall be in King County.

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IN WITNESS WHEREOF, the City and Consultant have executed this Agreement as of the date first above written.

CITY OF FEDERAL WAY
WASHINGTON

By: 
Assistant City Manager Cary Roe

Date

Corporation American Traffic Solutions, ~~INC.~~

By: 
Adam E. Tuton
Its Executive Vice President / COO

Date

ATTEST

By: 
City Clerk

4/3/08
Date

APPROVED AS TO FORM:

By:  for
City Attorney Patricia A. Richardson

3/14/08
Date

Exhibit A
SCOPE OF WORK
Work Order One

DEFINITIONS:

As used in this Agreement, the following words and terms shall, unless the context otherwise requires, have the respective meanings provided below:

"Citation" means a citation issued by a competent state or municipal law enforcement agent or agency or by a court of competent jurisdiction relating to a violation documented or evidenced by the (Axis™) System.

"Person" or "persons" means any individual, partnership, joint venture, corporation, trust, unincorporated association, governmental authority or political subdivision thereof or any other form of entity.

"Camera System" means a photo-traffic monitoring device consisting of camera(s) (both the Axis RLC-300 and the Axis Live Video System (if required) and a traffic monitoring device capable of accurately detecting a traffic infraction on up to four lanes at one approach and which records such data on an image of such vehicle. "Camera System" shall, where the sense requires, also include any enclosure or cabinet in which the Axis™ System is stationed. As used below, the term "Red Light Stationary Camera System" is used interchangeably with the Camera System term defined here.

"Approach" is defined as one direction of travel of one or more lanes on a road or a traffic intersection.

"Violation" means failure to obey an applicable traffic law or regulations, including, without limitation, failure to obey a traffic signal, operating a motor vehicle in excess of the posted speed limit, or operating a motor vehicle without displaying a valid license plate.

"Operational Time" means the actual time that a Camera System is monitoring traffic.

1. AMERICAN TRAFFIC SOLUTIONS (ATS) SCOPE OF WORK

1.1. ATS IMPLEMENTATION

1.1.1.ATS agrees to provide a turnkey solution for Red Light Stationary Camera Systems to the City of Federal Way (hereinafter "the City") wherein all reasonably necessary elements required to implement and operate the solution are the responsibility of ATS, except for those items identified in Section 2 titled "City Scope of Work". ATS and the City understand and agree that new or previously unforeseen requirements may, from time to time, be identified and that the parties shall negotiate in good faith to assign to the proper party the responsibility and cost for such items. In general, if work is to be performed by the City, unless otherwise specified, the City shall not charge ATS for the cost. All other in scope work, external to the City, is the responsibility of ATS.

1.1.2.ATS agrees to make every effort to adhere to the Project Time Line outlined in Schedule 4.

1.1.3.ATS agrees to provide the City with Axis™ RLC-300 Red Light Stationary Camera Systems as follows:

1.1.4.ATS will assist the City with video evaluation of candidate sites using the Axis VIMS system.

1.1.5.ATS will install Camera Systems a number of approaches, to be agreed upon between ATS and the City after completion of site analysis. In addition to the initial locations, the parties may agree from time to time, by additional Work Order(s), to add to the quantities and locations where Camera Systems are installed and maintained.

1.1.6.ATS will operate each Camera System on a 24-hour basis, barring downtime for maintenance and normal servicing activities.

- 1.1.7.ATS agrees to commence the installation of the Systems within 14 days after all approvals and required permits have been approved (the date all permits are approved shall hereinafter be referred to as the "Approval Date"). The Approval Date shall be marked by the issuance of a signed letter from ATS to the City, stating that permits from a particular site or set of sites have been approved.
- 1.1.8.ATS agrees to have all agreed-upon installation work completed and have the Systems fully operational according to the Project Schedule.
- 1.1.9.ATS agrees to provide necessary training for persons designated by the City and to assist the City with development of a public information and outreach campaign as specified in its response to the City's Request for Proposals.
- 1.1.10. ATS agrees to provide a secure web site (www.violationinfo.com) accessible to citation recipients (defendants) by means of a Notice # and a PIN, which will allow violation image review and entry of affidavits attesting to the non-liability of the registered owner for the violation.
- 1.1.11. The City and ATS will complete the Project Business Process Work Flow design within 30 calendar days of contract signature; the parties to this agreement will use the drafts included on Schedules 2 and 3 as the basis for the final workflow design.
- 1.1.12. ATS normally shall provide technician site visits to each Stationary Camera System once per month to perform preventive maintenance checks consisting of camera enclosure lens cleaning; camera, strobe and controller enclosure cleaning; inspection of exposed wires; and general system inspection and maintenance. No ATS technician shall enter a traffic signal cabinet without the presence of a City Traffic Signal Technician.
- 1.1.13. ATS shall repair a non-functional Stationary Camera System within 72 hours of determination of a malfunction.
- 1.1.14. ATS shall repair the Axis VPS system within 1 business day from the time of the outage. Outages of City internet connections or infrastructure are excluded from this service level.

1.2. ATS OPERATIONS

- 1.2.1.ATS shall provide the City with an optional one-time warning period up to 30 days in length at the outset of the program.
- 1.2.2.As the party responsible for initial contact with the red light violator, ATS shall provide the City with an automated web-based citation processing system (Axis™ VPS) including image processing, color printing, and mailing of at least one Citation or Notice of Violation per chargeable event. Each citation shall be delivered by First Class mail to the registered owner within the statutory period. Subsequent mailings to drivers identified in affidavits of non-liability or by rental car companies are also included. For mail not delivered due to address problems, ATS will mail the citation again if the City provides it with better information.
- 1.2.3.ATS shall apply an electronic signature to the citation when authorized to do so by an approving law enforcement officer.
- 1.2.4.ATS shall obtain in-state vehicle registration information necessary to issue citations assuming that it is named as the City's agent and the State provides the registration data at no cost.
- 1.2.5.Where obtainable, ATS shall provide out-of-state vehicle registration necessary to issue citations at no cost to the City.
- 1.2.6.ATS will designate rental car companies as registered owners. Notices of Violation (not citations) shall initially be issued to rental car companies. Citations may be issued to rental car companies or designated drivers if the rental car company identifies the driver.

- 1.2.7. On a daily basis (or as otherwise agreed), ATS shall transmit to the Federal Way Municipal Court (FWMC) a text file containing all citation and Notice of Violation information issued, for uploading into the FWMC computer system.
- 1.2.8. On a daily basis (or as otherwise agreed), ATS shall receive from FWMC an automatic update from the FWMC computer system containing the status of citations based on the latest disposition information, indicating payments received or cases otherwise closed, dismissed, resolved, or sent to collections. Also, ATS shall receive car rental disposition data and process it as agreed.
- 1.2.9. The Axis™ VPS system, which provides the City with ability to run and print a report, shall include the following:
- Program Statistics Report
 - Location Performance Summary Report
 - Location Performance Detail Report
 - Violation Reject Report
 - Document Aging Report
- 1.2.10. ATS shall provide the City with, or train a local expert witness able to testify in Court on matters relating to the accuracy, technical operations, and effectiveness of the Axis™ System.
- 1.2.11. In those instances where damage to a Camera System or sensors is caused by negligence on the part of the City or its authorized agent(s), ATS will provide an estimate of the cost of repair. Upon authorization to proceed with the repairs or replacement, ATS shall replace or repair any damaged equipment and invoice the City for the pre-approved repair cost. ATS shall bear the cost to replace or repair equipment damaged in all other circumstances.
- 1.2.12. ATS shall provide a website and help line to help the City resolve any problems encountered regarding its Red Light Camera System and/or citation processing. The help line shall function during normal business hours.
- 1.2.13. As part of its turnkey system, ATS shall provide violators with the ability to view violations online. This online viewing system shall include a link to the City's payment website(s) and an opportunity to complete an affidavit online. Online affidavits shall be directed to and processed by ATS/Axis and communicated to the Court via the Axis VPS transfer described at 1.2.8, above.

1.3. OPTIONAL COURT SERVICES

- 1.3.1. The following services are available by contract change order. Fees for these optional services are identified on Schedule 1.
- 1.3.2. Issuance of second notice upon expiration of unpaid first notice. ATS shall issue a second notice including a payment coupon and return payment envelope within 5 days of determination that no payment on a first notice was received. The second notice shall be due within 14 days of issuance and shall contain language advising the violator that collections action will ensue immediately unless payment is received.
- 1.3.3. Affidavit / Transfer of Liability Processing – ATS shall process all inbound transfer of liability forms, rental car driver identification forms, and new or change of address items and reissue a new notice to the identified party..
- 1.3.4. Lockbox payment processing services. ATS shall operate a lockbox payment processing service for the program and shall process all checks, money orders and cashiers checks on behalf of the City. All payments will be deposited into a blocked account in the name of the City and shall be swept on a periodic basis to another city designated account.
- 1.3.5. Electronic online payments – ATS shall operate an electronic payment portal for the purposes of accepting debit card, electronic check (ACH) and Visa and Mastercard credit

card payments over the internet. The fees for these transactions are paid by the user through the application of a convenience fee.

1.3.6. Collections services – upon expiration of the second notice, ATS will commence collections action on any unpaid notices. Fees for these services are listed on Schedule 1.

2. CITY SCOPE OF WORK

2.1. GENERAL IMPLEMENTATION REQUIREMENTS

2.1.1. Within 7 business days of contract execution, the City shall provide ATS with the name and contact information for a project manager with authority to coordinate City responsibilities under the Agreement.

2.1.2. Within 7 business days of contract execution, the City shall provide ATS with the name and contact information for a Federal Way Municipal Court manager responsible for oversight of all Court-related program requirements

2.1.3. The City shall make every effort to adhere to the Project Time Line outlined in Schedule 4.

2.1.4. The City will process each Citation according to its own established rules and guidelines.

2.1.5. The City shall provide a letter to the Washington Department of Motor Vehicles on behalf of ATS indicating that ATS is acting as an Agent of the City for the purposes of accessing vehicle ownership data pursuant to the list of permissible uses delineated in the Drivers Privacy Protection Act 18 U.S.C. § 2721, Section (b) (1) and as may otherwise be provided or required by any provision of applicable state law. ATS shall provide the City with draft content for its letter.

2.1.6. The City and ATS shall complete the Project Business Process Work Flow design within 30 calendar days of contract signature, using the drafts included on Schedules 2 and 3 as the basis for the final workflow design.

2.2. STREETS AND TRAFFIC DEPARTMENT OPERATIONS

2.2.1. City will design, fabricate, install and maintain red light camera warning signs.

2.2.2. The City shall provide access to traffic signal phase connections according to approved design. Only City Traffic Signal Technicians will perform wiring connections within the traffic signal cabinet to accomplish the red light camera installation.

2.2.3. The City may allow ATS to use existing street furniture, poles, and available conduit for the purposes of installing and operating its Camera Systems, according to approved design. A City Traffic Signal Technician must be present during installation for the camera systems on existing street furniture, poles, and conduit at the intersections.

2.2.4. ATS must provide installation drawings stamped by a licensed civil engineer according to state law. However, the City will work with ATS to facilitate that ATS's work product and drawings conform to professional norms and reflect the details of installation work to be completed.

2.2.5. The City shall approve or reject ATS's submitted plans within 7-30 business days of receipt. If after 30 business days, the City has not rejected ATS's plans, they will be deemed accepted.

2.2.6. The City shall process street use and pole attachment permit requests prepared by ATS in accordance with City established criteria.

2.3. POLICE DEPARTMENT OPERATIONS

2.3.1. The Federal Way Police Department (FWPD) shall process each potential violation in accordance with Washington State Laws and City Ordinances within 3 business days of its appearance in the Police Review Queue, using Axis™ to determine which violations will be

issued as Citations or Notices of Violation. The City and Consultant shall mutually agree on rejection criteria.

2.3.2.FWPD workstation computer monitors for citation review and approval should provide a resolution of 1280 x 1024.

2.3.3.For optimal data throughput, FWPD workstations should be connected to a high-speed internet connection with bandwidth of T-1 or greater.

2.3.4.FWPD shall provide signatures of all authorized police users who will review events and approve citations on forms provided by ATS.

2.4. MUNICIPAL COURT OPERATIONS

2.4.1.Federal Way Municipal Court (FWMC) shall receive electronic text files of citation information and load the citation information into its Citation database.

2.4.2.FWMC shall provide citation fine collection services for all final dispositions. Additionally, FWMC agrees to pursue collections, registration suspensions, or other legal and customary means necessary to compel payment of outstanding citations.

2.4.3.FWMC shall provide a judge or hearing officer and Court facilities to schedule and hear disputed citations.

2.4.4.On a daily basis (or as otherwise agreed), FWMC shall transmit an electronic file to ATS Axis™ with daily updates of all citation disposition or transaction information indicating payments received or cases otherwise closed, dismissed or resolved.

2.4.5.On a daily basis (or as otherwise agreed), FWMC shall receive and process an electronic file of undeliverable citations from Axis™; it may then transmit ATS Axis™ better addresses, if available. If better addresses are not available, FWMC may ask ATS to provide Skip Tracing Services for the optional unit fees indicated in Schedule 1.

2.4.6.FWMC shall provide the specific text required to be placed on the Citation notice to be issued by ATS within 30 calendar days of contract signature. The Washington Administrative Office of the Courts (AOC) must approve this notice. The Court shall make reasonable efforts to expedite the approval process but cannot guarantee that AOC will communicate approval within 30 days of contract signature.

2.4.7.Consultant shall provide at least one PC to be used by defendants to view their violations online at the Court.

2.4.8.FWMC shall receive and review written affidavits and written responses from rental car companies; shall enter new driver information into Axis™ or otherwise designate that the rental car company or other party previously identified as the responsible party is not the responsible party. Such information shall be communicated to Axis VPS by the daily transmission described at 1.2.8, above.

2.4.9.FWMC shall handle inbound and outbound phone calls and correspondence from defendants who have questions about payments, disputes, and other issues relating to citation adjudication. The Court may refer citizens with questions regarding ATS or Axis technology and processes to websites and/or toll-free telephone numbers provided by ATS for that purpose.

2.5. INFORMATION TECHNOLOGY DEPARTMENT OPERATIONS

2.5.1.In the event that remote access to the ATS Axis VPS System is blocked by City network security infrastructure, the Federal Way Information Services Division shall coordinate with ATS to facilitate appropriate communications while maintaining required security measures.

2.5.2.During the installation the City intends to provide the police department a work station for handling violations evaluations, a work station for customer use in the court, and three large flat screens in the court for violation viewing.

2.6. ACCEPTANCE

2.6.1. Upon completion of all installation, ATS shall perform an end-to-end test for each of the contracted approaches.

2.6.2. Upon completion of installation and testing of all contracted approaches, ATS shall notify the City that the system is ready for acceptance.

2.6.3. City shall conduct an acceptance test in accordance with the RFP specifications.

2.6.4. Upon successful completion of the acceptance test, the City shall issue certificate of acceptance.

2.7. PAYMENT SCHEDULE

2.7.1. Upon certification of acceptance, the City shall commence monthly payments.

END OF DOCUMENT

Schedule 1 – Fixed fee option

Service Fee Schedule

The Customer agrees to pay ATS the Fee(s) as itemized below:

Monthly Service Fee per Intersection Approach

RLC Cost Element	Monthly fee
<p>Red Light Camera Enforcement Solution</p> <p>Axis RLC-300 Red Light Camera System, Axis LIVE digital video system for monitoring 1 direction of travel, monitoring rear images up to 4 lanes, image processing, data entry, in and out of state registered owner acquisition, final quality control review, access to web-based Axis VPS for Police Review, 1st notice printing in color, postage and mailing, lockbox and E-payment payment processing services electronic notice file transmission to court system or use of ATS court system module, evidence packages for scheduled hearings.</p>	\$4,750
<p>Optional Services</p>	
<p>Handling court payment, processing and accounting through lock box service with US Bank</p>	\$1.50 per paid violation
<p>Axis E-Payment Portal for Web-based payments – online access convenience fee charged to user.</p>	\$0
<p>SecurID Two-Factor Security Option</p> <p>Implementation Fee</p> <p>User fee per user per month includes software licensing, support and SecurID</p> <p>Replacement SecurID Fob</p>	<p>\$2,000</p> <p>\$20</p> <p>\$200</p>
<p>Speed programs</p>	
<p>Fixed Site Speed Camera for School Zone Enforcement</p> <p>Fee includes a 4-lane site and up to 800 issued citations per month per camera</p> <p>\$5.00 per citation over 800 per month to cover overage service & mailing</p>	\$4,750
<p>Mobile Speed Camera for School Zone Enforcement (city staffed)</p> <p>Fee includes up to 800 issued citations per month per camera</p>	\$7,500

5
6
7

RETURN TO: Heather Dunnachie

CITY OF FEDERAL WAY LAW DEPARTMENT

REQUEST FOR CONTRACT PREPARATION/DOCUMENT REVIEW/SIGNATURE ROUTING SLIP

1. ORIGINATING DEPT./DIV: FWMC

2. ORIGINATING STAFF PERSON: _____ EXT: _____ 3. DATE REQ. BY: _____

4. TYPE OF DOCUMENT REQUESTED (CHECK ONE)

- PROFESSIONAL SERVICE AGREEMENT
- MAINTENANCE/LABOR AGREEMENT
- PUBLIC WORKS CONTRACT
- SMALL PUBLIC WORKS CONTRACT
(LESS THAN \$200,000)
- PURCHASE AGREEMENT
(MATERIALS, SUPPLIES, EQUIPMENT)
- REAL ESTATE DOCUMENT

- SECURITY DOCUMENT (E.G. AGREEMENT & PERF/MAIN BOND; ASSIGNMENT OF FUNDS IN LIEU OF BOND)
- CONTRACTOR SELECTION DOCUMENT
(E.G., RFB, RFP, RFQ)
- CONTRACT AMENDMENT AG#: _____
- CDBG
- OTHER MOU

5. PROJECT NAME: Red Light Photo Enforcement

6. NAME OF CONTRACTOR: American Traffic Solutions
ADDRESS: 7681 E. Gray Road, Scottsdale Arizona 85260 TELEPHONE 480-443-7000
SIGNATURE NAME: Adam Tuton TITLE Executive VP / COO

7. ATTACH ALL EXHIBITS AND CHECK BOXES SCOPE OF SERVICES ALL EXHIBITS REFERENCED IN DOCUMENT
 INSURANCE CERTIFICATE DOCUMENT AUTHORIZING SIGNATURE

8. TERM: COMMENCEMENT DATE: 10/1/08 COMPLETION DATE: upon termination

9. TOTAL COMPENSATION \$ _____ (INCLUDE EXPENSES AND SALES TAX, IF ANY)
(IF CALCULATED ON HOURLY LABOR CHARGE - ATTACH SCHEDULES OF EMPLOYEES TITLES AND HOLIDAY RATES)
REIMBURSABLE EXPENSE: YES NO IF YES, MAXIMUM DOLLAR AMOUNT: \$ _____
IS SALES TAX OWED YES NO IF YES, \$ _____ PAID BY: CONTRACTOR CITY
 PURCHASING: PLEASE CHARGE TO: _____

10. CONTRACT REVIEW	<u>INITIAL/DATE APPROVED</u>	<u>INITIAL/DATE APPROVED</u>
<input type="checkbox"/> PROJECT MANAGER	_____	_____
<input type="checkbox"/> DIRECTOR	_____	_____
<input type="checkbox"/> RISK MANAGEMENT (IF APPLICABLE)	_____	_____
<input type="checkbox"/> LAW	_____	_____

11. CONTRACT SIGNATURE ROUTING	<u>INITIAL/DATE APPROVED</u>	<u>INITIAL/DATE APPROVED</u>
<input checked="" type="checkbox"/> LAW DEPARTMENT	<u>AW 9/26</u>	_____
<input checked="" type="checkbox"/> CITY MANAGER <u>Michael Morgan, Presiding Judge</u>	<u>MFM 10-1</u>	_____
<input checked="" type="checkbox"/> CITY CLERK	<u>CM 10-3-08</u>	_____
<input checked="" type="checkbox"/> SIGN COPY BACK TO ORGINATING DEPT.	<u>CM 10-3-08</u>	_____
<input checked="" type="checkbox"/> ASSIGNED AG# <u>08-126</u>	_____	_____

COMMENTS

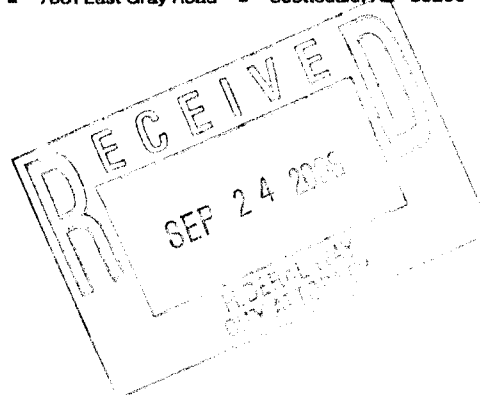


American
Traffic Solutions™

480.443.7000 ■ Fax: 480.596.4501 ■ www.atsol.com ■ 7881 East Gray Road ■ Scottsdale, AZ 85260

September 19, 2008

Mr. Aaron Walls
Deputy City Attorney
Federal Way, Washington
33325 8th Avenue South
Federal Way, WA 98003



**RE: *Memorandum of Understanding between City of Federal Way Municipal Court
and American Traffic Solutions Inc.***

Dear Aaron:

Enclosed is the original partially-executed above-referenced Memorandum of Understanding signed by Adam Tuton, Executive Vice President, COO on behalf of American Traffic Solutions. Please return our fully-executed copy of the Memorandum of Understanding to the following address:

Mr. Adam Tuton
American Traffic Solutions
7681 East Gray Road
Scottsdale, AZ 85260

Please let me know if you have any questions or if I may be of further assistance.

Very truly yours,

American Traffic Solutions, Inc.

Linda Welsch
Executive/Legal Assistant to
Adam Tuton, Executive Vice President, COO

Enclosures

**MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF FEDERAL WAY MUNICIPAL COURT
AND
AMERICAN TRAFFIC SOLUTIONS, INC.**

THIS MEMORANDUM OF UNDERSTANDING ("MOU") made and entered into on this ~~1~~⁵ day of ~~September~~^{October}, 2008, by and between the Federal Way Municipal Court (the "Court") and American Traffic Solutions, Inc., (the "Consultant").

WHEREAS, the City of Federal Way ("City") and Consultant previously entered into a contract on March 28, 2008 for services provided by Consultant to City for photo traffic enforcement services (the "Contract");

WHEREAS, the Court is obligated by law to adjudicate traffic infractions, including photo enforcement citations issued under the authority of RCW 46.63.170 and the Contract;

WHEREAS, adjudication of traffic infractions involve certain administrative duties of the Court, including processing citations, scheduling hearings, and receipt and collection of funds paid as fines and costs;

WHEREAS, the Court desires that Consultant perform the above stated administrative functions for photo enforcement proceedings;

WHEREAS, the Consultant acknowledges consideration has been received in its original contract with the City, and enters this MOU to provide more specific terms and further mutual agreements regarding services provided to the Court, especially Section 1.3 and Section 2.4 of the original Scope of Work ("Exhibit A") of the Contract;

WHEREAS, the Court should have a separate independent agreement with Consultant to maintain the highest standards of judicial independence.

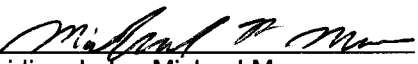
NOW, THEREFORE, the parties do mutually agree as follows:

1. The Consultant shall perform services for the Court pursuant to this MOU and the Contract. This MOU supersedes paragraphs 2.4.2, 2.4.4, 2.4.8, and 2.4.9 of "Exhibit A" of the Contract, and any other provisions of the Contract or Scope of Work that are inconsistent with this MOU as to the agreements between the Court and the Consultant. All other provisions of the Contract are unaffected by this agreement. The Court and the Consultant will jointly create business rules to govern operational procedures which the parties will follow to the extent that they do not conflict with this MOU.
2. Consultant shall receive and record the acceptance of photo enforcement Notices of Infraction from law enforcement. Acceptance of a Notice of Infraction by law enforcement constitutes the date of issuance. Consultant will make the issued Notices of Infractions available to the Court electronically. The Court will download the Notices of Infraction each court day. Date of filing pursuant to IRLJ 2.2(d) will be the date the Court downloads said documents.
3. The Court shall have access to Consultant's records regarding pending matters at all stages of the proceedings. The Consultant shall make available to the Court during normal business hours, and as the Court deems necessary for audit and copying, all of the Consultant's records and documents with respect to all matters covered by this MOU, including receipts and accounting records.
4. Consultant will receive and process declarations of non-responsibility. If the Court receives a declaration the Court will mail it to Consultant for processing. There is no additional fee for these services.

5. Consultant shall schedule hearings as requested by defendants on the dates and times provided by the Court. On a daily basis (or as otherwise agreed), the Court shall enter court decisions (notice of decision) on citations into ATS Axisis™ with daily updates of all citation dispositions.
6. Consultant shall collect all payments for fines, penalties, and costs from defendants (user fee) at all stages of the proceedings. Consultant shall operate an electronic payment portal for the purposes of accepting debit card, electronic check (ACH) and Visa and Mastercard credit card payments over the internet. There is no additional fee to the Court (or City) for this service, but a convenience fee of \$4.00 shall be added to the user fee. Consultant is authorized to use customary methods to collect unpaid amounts where the criteria for collection are met. Consultant may use a subcontractor as a collection agency for this purpose. An additional court fee of \$25 shall be added to the user fee in matters referred to collection. No additional fee will be charged by Consultant for Skip Tracing Services. Specific collections rates will be negotiated by change order.
7. Consultant shall forward all payments for fines, penalties, and costs to the Court for further processing pursuant to RCW 3.50.100.
8. The Court does not acquire jurisdiction until the Notice of Infraction is filed. Once a Notice of Infraction is filed, the Consultant (or City) may request that the court authorize dismissal of pending matters by periodically providing a list of the cases sought to be dismissed, the identifying case number(s), and the reason for dismissal. The decision to submit a request to dismiss or amend a pending matter based upon a declaration of non-responsibility shall be made by the City and Consultant. Nothing herein prevents a judge from finding that the defendant was not the driver of the vehicle after considering evidence at a hearing. Consultant shall notify each defendant of the dismissal of the allegations against them once the court approves a dismissal. The decision to administratively terminate or discontinue any citation prior to filing is to be made by Consultant and the City, not the Court.
9. Consultant, at its sole cost and expense, shall comply with and obey all federal, state and local laws, regulations, court rules, and ordinances applicable to the operation of its business and to the performance of its services. The Court will seek input from Consultant on any proposed changes to local Federal Way court rules which affect the processing of photo enforcement matters.
10. The Consultant agrees to use only forms approved by the Court for all stages of the proceeding.
11. Consultant shall handle inbound and outbound phone calls and correspondence from defendants who have questions about court dates, scheduling, payments and other services provided by the Consultant. The Court may refer citizens with questions regarding ATS or Axisis technology and processes to websites and/or toll-free telephone numbers provided by ATS for that purpose. The Court shall handle all inbound and outbound phone calls and correspondence from defendants regarding final citation adjudication by the judge.
12. Contactor acknowledges judges acting within their judicial role are protected by judicial immunity and no cause of action against a judge shall accrue for the benefit of Consultant as a result of any decision made by a judge adjudicating a matter before him or her.
13. The term of this MOU shall be the same as that of the Contract. This MOU shall automatically terminate if the Contract is terminated. The Court may also terminate the MOU using the same processes provided in paragraph 6 of the Contract. Paragraphs 8, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, and 27 of the Contract shall apply to the Contractor and the Court under this MOU as they do to the Contractor and the City under the Contract.

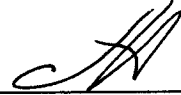
IN WITNESS WHEREOF, the Court and Consultant have executed this Agreement as of the date first above written.

The Court
City Of Federal Way Municipal Court

By: 
Presiding Judge Michael Morgan

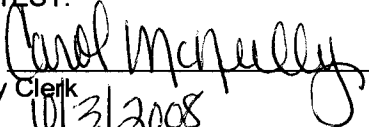
10/1/08
Date

The Consultant
American Traffic Solutions, INC.

By: 
Adam E. Tuton
Its Executive Vice President / COO

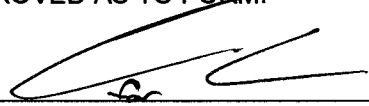
9/22/08
Date

ATTEST:

By: 
City Clerk

10/3/2008
Date

APPROVED AS TO FORM:

By: 
City Attorney

9/26/08
Date