



OFFICE OF THE CITY CLERK  
808 W. SPOKANE FALLS BLVD.  
SPOKANE, WASHINGTON 99201-3342  
(509) 625-6350

February 29, 2008

City Clerk File No.:  
OPR 2008-0120  
CR: ORD C34199  
CR: ORD C34184

COUNCIL ACTION MEMORANDUM

RE: CONTRACT WITH AMERICAN TRAFFIC SOLUTIONS FOR PHOTO RED SERVICES

During its 6:00 p.m. Legislative Session held Monday, February 25, 2008, the Spokane City Council took the following action subsequent to a presentation by Sergeant Eric Olsen, public testimony, and Council inquiry and comment:

**Motion** by Council Member French, seconded by Council Member Corker, to approve the Contract with American Traffic Solutions (Scottsdale, AZ) for Photo Red Services—projected annual net revenue is \$190,000; **carried 5-2 (Council Members Allen and Apple voting “no”)**.

Terri L. Pfister, CMC  
Spokane City Clerk

c: Eric Olsen, Police  
Andrew Schenk, Streets  
Contract Accounting  
Taxes & Licenses  
Cindy Marshall, Municipal Court  
ATS

**AGENDA SHEET FOR COUNCIL MEETING OF: February 25, 2008**

Submitting Dept.  
 Police

Contact Person/Phone No.  
 Eric Olsen/835-4587

Council Sponsor  
 Bob Apple

**ADMINISTRATIVE SESSION**

- Contract
- Report
- Claims

**LEGISLATIVE SESSION**

- Emergency Ord
- Resolution
- Final Reading Ord
- First Reading Ord
- Special Consideration
- Hearing

**CITY PRIORITY**

- Communications
- Economic Development
- Growth Management
- Human Services
- Neighborhoods
- Public Safety
- Quality Service Delivery
- Racial Equity/Cultural Diversity
- Rebuild/Maintain Infrastructure

- CLERK'S FILE
- RENEWS
- CROSS REF
- ENG
- BID
- REQUISITION

OPR 2008-0120

**STANDING COMMITTEES**

(Date of Notification)

- Finance
- Neighborhoods
- Planning/Community & Econ Dev

- Public Safety 2/18/08
- Public Works

Neighborhood/Commission/Committee Notified:  
Public Safety Committee  
 Action Taken:

**AGENDA**

**WORDING:**

(If contract, include the term.)

Contract with American Traffic Solutions for Photored Services.  
 Projected revenue is \$190,000.00 annually.

<sup>A</sup>  
**NET**

**BACKGROUND:**

(Attach additional sheet if necessary)

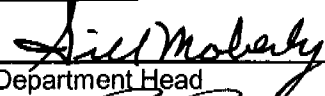
See Attached Background

**RECOMMENDATION:** Approve


<b>Fiscal Impact:</b>	<input type="checkbox"/> N/A	<b>Budget Account:</b>	<input type="checkbox"/> N/A
X Expenditure:	\$ 360,000	#0020 88200 21100	54999
X Revenue:	<del>\$190,000.00</del>	#0020-88200-99999-35370	
<input type="checkbox"/> Budget Neutral	<del>550,000</del>	550,000	


**ATTACHMENTS:** Include in Packets: Contract  
 On file for Review in Office of City Clerk:

**SIGNATURES:**


  
 Department Head

Division Director

  
 Finance MRL (EEO)

  
 Legal

  
 Chief Operating Officer for Mayor

  
 Council President

**DISTRIBUTION:** Police – E. Olsen  
 Contract Accounting

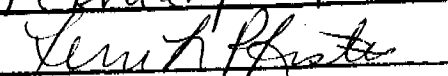
Street – A. Schenk  
 Taxes and Licenses

Municipal Court – C. Marshall  
 ATS

**COUNCIL ACTION:**

APPROVED BY  
 SPOKANE CITY COUNCIL:

February 25, 2008



CITY CLERK

\* See Council Action Memo dated 2/29/08.

## BACKGROUND:

In late 2006 the members of the Public Safety Committee asked Chief Kirkpatrick to look into Red Light Photo Enforcement. Red Light Photo Enforcement or "Photo Red" is a system that uses single or multiple cameras placed at an intersection to record video and still photographic evidence of red light running. When a red light violation occurs, this information is captured and sent to the vendor. The vendor runs the vehicle license plate, matches it to the pictured vehicle and the forwards the file to the law enforcement agency. The agency then reviews the evidence and "signs" the notice of infraction. The file is returned to the vendor, who then mails the infraction to the violator.

Research was conducted and presentations were made to the Public Safety Committee and to the City Council. A municipal code change was passed that authorizes the use of Photo Red. A committee was formed to interview, examine and select a vendor. The committee made a selection that was brought to the Public Safety Committee. A contract that has been signed by this vendor – American Traffic Solutions.

The entire goal of the Red Light Photo Enforcement program is to increase driver safety in the City of Spokane by reducing fatal/injury crashes, reduce crashes and reduce red light running. It supports and supplements the Police Department's resources by handling the most difficult to enforce traffic violation.

AGREEMENT  
TRAFFIC SAFETY CAMERA SYSTEM

THIS AGREEMENT is between the CITY OF SPOKANE, a municipal corporation of the State of Washington, whose address is 808 West Spokane Falls Boulevard, Spokane, Washington 99201, hereinafter referred to as "City", and AMERICAN TRAFFIC SOLUTIONS, LLC., whose address is 14861 North Scottsdale Road, Suite 109, Scottsdale, Arizona 85254-2788, hereinafter referred to as "ATS"; and jointly hereinafter referred to as the "Parties."

WITNESSETH:

WHEREAS, the City desires to implement and operate a turnkey traffic safety camera system pursuant to section 46.63.170 of the Revised Code of Washington; and

WHEREAS, the City solicited proposals from firms with photo enforcement implementation and operation experience; and

WHEREAS, the City desires to engage ATS to provide traffic camera services, also known as photo enforcement services; -- NOW, THEREFORE,

The Parties agree as follows:

1. SERVICES. The City retains ATS to provide traffic safety camera system services described in the attached "Exhibit A – Scope of Work". ATS agrees to perform the Scope of Work according to the terms and conditions of this agreement.
2. DURATION. This agreement shall be effective the signature date, and run for a period of five (5) years commencing on the date of the first paid notice of the first installed camera, unless terminated earlier. The City, at its sole discretion, may extend the term of the agreement for two (2) additional five (5) year periods for a total of fifteen (15) years. Such renewal shall require the approval of the Spokane City Council.
3. CONTRACT DOCUMENTS. This agreement, ATS' proposal and the City's Request for Proposal are the contract documents. In the event of conflict, the conflict shall be resolved in favor of this agreement.
4. COMPENSATION.
  - A. ATS shall be paid in such amounts and in such manner as described in the attached "Exhibit B – Compensation". The pricing shall be fixed and firm for a period of three (3) years, assuming the City continues the Camera System after the first year.
  - B. For service charge adjustments beyond the initial three (3) years, the basis for adjustment shall:

- 1) unit prices will increase by the CPI according to the average changes during the prior twelve (12) months from the anniversary date of the first payable citation in the Consumer Price Index for All Urban Consumers (CPI-U) for U.S. City average as published by the Bureau of Labor Statistics, U.S. Department of Labor;
- 2) not produce a higher profit margin than that on the original agreement;
- 3) clearly identify the items impacted by the increase;
- 4) be accompanied by documentation acceptable to the City sufficient to warrant the price index request; and
- 5) remain firm for a minimum of three hundred sixty five (365) days.

C. This agreement includes no reimbursable expenses.

5. COST NEUTRALITY CLAUSE.

A. After a three (3) month ramp up period and during the remaining term of the agreement, the City shall not be required to pay ATS more than the City (or ATS on the City's behalf) has collected/received in fines payments through the use of the Axis System cumulatively throughout the term of the agreement. 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.

B. The clause will be applied as follows:

- 1) If collections for the program during any month are less than the full amount of ATS invoices, ATS shall be entitled to 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 the program (whether reserved in cash or not by the City) will be used to offset future ATS invoices in the event of monthly deficits.
- 2) 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 less or no revenues 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.

- 3) The provision shall not apply should the City elect not to enforce illegal right turn on red violations or if the City elects not to pursue collections on unpaid violations, or if the City directs ATS to install cameras at a site with an initial starting violation rate of fewer than eight (8) violations per day, or if the City or Police Department waives more than ten percent (10%) of valid violations forwarded to the Police Department for acceptance.

6. WORK ORDER METHODOLOGY FOR APPROVED WORK.

- A. 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.
- B. Work Order No. 1. Work Order No. 1 consists of the documents listed in the Scope of Work, Exhibit A to this agreement. Except for items listed as City responsibilities in Work Order No. 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.
- C. Notice to Proceed on Tasks Identified in Work Orders. The execution of this agreement constitutes the City's notice to ATS to proceed with Work Order No. 1. For each subsequent work order under this agreement, ATS shall commence work upon issuance of a written notice from the City.
- D. Additional Work Orders.
  - 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.
- E. For any work order(s) requested by either Party subsequent to Work Order NO.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. AUDIT / RECORDS. ATS shall maintain for a minimum of three (3) years following final payment all records related to its performance of the agreement. ATS shall provide access to authorized City representatives, including the City Auditor, at reasonable times and in a reasonable manner to inspect and copy any such record. In the event of conflict between this provision and related auditing provisions required under federal law applicable to the agreement, the federal law shall prevail.

7. NOTICES. All notices or other communications shall be considered given on: (i) the day the notices or other communications are received when sent by personal delivery; or (ii) the third day following the day on which the notices or other communications have been mailed by certified mail delivery, receipt requested and postage prepaid addressed to the other Party at the address set forth below, or at such other address as either Party shall from time-to-time designate by notice in writing to the other Party:

CITY: Mayor or designee  
City of Spokane  
Fifth Floor, City Hall  
808 West Spokane Falls Boulevard  
Spokane, Washington 99201

Copy: Chief of Police  
City/County Public Safety Building  
1100 West Mallon Avenue  
Spokane, Washington 99260

ATS: Chief Operating Officer  
American Traffic Solutions, LLC.  
14861 North Scottsdale Road, Suite 109  
Scottsdale, Arizona 85254

8. RELATIONSHIP OF THE PARTIES. The Parties intend that an independent contractor relationship will be created by this agreement. No agent, employee, servant or representative of ATS shall be deemed to be an employee, agent, servant or representative of the City for any purpose. Likewise, no agent, employee, servant or representative of the City shall be deemed to be an employee, agent, servant or representative of ATS for any purpose.

9. LIABILITY.

- A. To the extent permitted by law, ATS shall indemnify, defend and hold harmless the City, its officers and employees from all claims, demands, or suits in law or equity arising from ATS' intentional or negligent acts or breach of its obligations under the agreement. ATS' duty to indemnify shall not apply to loss or liability caused by the intentional or negligent acts of the City, its officers and employees.
- B. To the extent permitted by law, the City shall indemnify, defend and hold harmless ATS, its officers and employees from all claims, demands, or suits in law or equity arising from the City's intentional or negligent acts or breach of its obligations under the agreement. The City's duty to indemnify shall not apply to loss or liability caused by the intentional or negligent acts of ATS, its officers and employees.
- C. If the comparative negligence of the Parties and their officers and employees is a cause of such damage or injury, the liability, loss, cost, or expense shall be shared between the Parties in proportion to their relative degree of negligence and the right of indemnity shall apply to such proportion.
- D. Each Party's duty to indemnify shall survive the termination or expiration of the agreement.
- E. Each Party waives, with respect to the other Party only, its immunity under RCW Title 51, Industrial Insurance. The Parties have specifically negotiated this provision.

10. INSURANCE. During the term of the agreement, ATS shall maintain in force at its own expense, each insurance noted below:

- A. Worker's Compensation Insurance in compliance with RCW 51.12.020, which requires subject employers to provide workers' compensation coverage for all their subject workers and Employer's Liability or Stop Gap Insurance in the amount of \$1,000,000;
- B. General Liability Insurance on an occurrence basis, with a combined single limit of not less than \$1,000,000 each occurrence for bodily injury and property damage. It shall include contractual liability coverage for the indemnity provided under this agreement. It shall provide that the City, its officers and employees are additional insureds but only with respect to ATS' services to be provided under this agreement; and
- C. Automobile Liability Insurance with a combined single limit, or the equivalent of not less than \$1,000,000 each accident for bodily injury and property damage, including coverage for owned, hired and non-owned vehicles.

There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without sixty (60) days written notice from ATS or its insurer(s) to the City.

As evidence of the insurance coverages required by this agreement, ATS shall furnish acceptable insurance certificates to the City at the time it returns the signed agreement. The certificate shall specify all of the Parties who are additional insured; and include applicable policy endorsements, the sixty (60)-day cancellation clause, and the deductible or retention level as well as policy limits. Insuring companies or entities are subject to City acceptance and must have a rating of A- or higher by Best. ATS shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

11. ANTI-KICKBACK. No officer or employee of the City, having the power or duty to perform an official act or action related to this agreement shall have or acquire any interest in the agreement, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in the agreement.

12. VENUE STIPULATION. This agreement has been and shall be construed as having been made within the State of Washington. This agreement shall be governed by the laws of the State of Washington both as to interpretation and performance. Any action at law, suit in equity or judicial proceeding for the enforcement of this agreement, or any provision hereto, shall be instituted only in courts of competent jurisdiction within Spokane County, Washington.

13. COMPLIANCE WITH LAWS. The Parties shall observe all federal, state and local laws, ordinances and regulations, to the extent that they may be applicable to the terms of this agreement.

14. NONDISCRIMINATION. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities.

15. BUSINESS LICENSE REQUIREMENT. Section 8.01.070 of the Spokane Municipal Code states that no person may engage in business with the City without first having obtained a valid business license. ATS shall be responsible for contacting the City's Taxes and Licenses Division at (509) 625-6070, to obtain a business license, or an exemption status determination.

16. TERMINATION OF AGREEMENT.

A. For Cause. The City may terminate this agreement if ATS is in material breach of any terms of this agreement, 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).

- B. For City's Convenience. The City may terminate this agreement in whole or in part, without cause and for any reason including the City's convenience, upon written notice to ATS at the conclusion of the first twelve (12) months from activation of the Camera Systems in Work Order #1.
- C. Acts of Insolvency. The City may terminate this agreement by written notice to ATS if ATS 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.
- D. Notices. 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, ATS shall continue to provide products and services as required by the City until the effective date provided in the termination notice.

17. REPRESENTATIONS AND WARRANTIES.

- A. ATS 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.
- B. ATS warrants that all materials, equipment, and/or services provided under this agreement 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 the City shall not alter or affect the obligations of ATS or the rights of the City.

18. CONFIDENTIAL INFORMATION.

- A. If the City notifies ATS of a public disclosure request, and ATS believes records are exempt from disclosure, it is ATS' responsibility to make determination and pursue a lawsuit under RCW 42.56.540 to enjoin disclosure. ATS must obtain the injunction and serve it on the City before the close of business on the tenth (10<sup>th</sup>) business day after the City sent notification to ATS. It is ATS' discretionary decision whether to file the lawsuit.
- B. If ATS does not timely obtain and serve an injunction, ATS is deemed to have authorized releasing the record. If the City has notified ATS of a public disclosure request, and ATS has not obtained an injunction and served the City with that

injunction by the close of business on the tenth (10<sup>th</sup>) business day after the City sent notice, the City will then disclose the record.

- C. Notwithstanding the above, ATS must not take any action that would affect (1) the City's ability to use goods and services provided under this agreement or (2) ATS' obligations under this agreement.
- D. ATS will fully cooperate with the City in identifying and assembling records in case of any public disclosure request.

19. DISPUTES.

- A. Any dispute or misunderstanding that may arise under this agreement concerning ATS' performance shall first be resolved, if mutually agreed to be appropriate, through negotiations between ATS' Project Manager and the City's Project Manager, or if mutually agreed, referred to the City's named representative and ATS' 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 agreement in accordance with the termination provisions herein.
- B. Notwithstanding above, if the City believes in good faith that some portion of work has not been completed satisfactorily, the City may require ATS to correct such work prior to City payment. In such event, the City must clearly and reasonably provide ATS an explanation of the concern and the remedy that the City expects. The City may withhold from any payment that is otherwise due, an amount that the City in good faith finds to be under dispute, or if ATS does not provide a sufficient remedy, the City may retain the amount equal to the cost to the City for otherwise correcting or remedying the work not properly completed.

20. NON-WAIVER. No waiver by any Party of any of the terms of this agreement shall be construed as a waiver of the same or other rights of that Party in the future.

21. ENTIRE AGREEMENT. This agreement contains terms and conditions agreed upon by the Parties. The Parties agree that there are no other understandings, oral or otherwise, regarding the subject matter of this agreement. No changes or additions to this agreement shall be valid or binding upon the Parties unless such change or addition is in writing, executed by the Parties.

22. MODIFICATION. No modification or amendment to this agreement shall be valid until put in writing and signed with the same formalities as this agreement.

23. HEADINGS. The section headings appearing in this agreement have been inserted solely for the purpose of convenience and ready reference. In no way do they purport to,

and shall not be deemed to define, limit or extend the scope or intent of the sections to which they pertain.

24. COUNTERPARTS. This agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same.

25. SEVERABILITY. If any provision of this agreement is held by the courts to be illegal or invalid, the remaining provisions shall not be affected and the rights and obligations of the Parties shall not be affected in regard to the remainder of the agreement.

26. ASSIGNMENT. This agreement shall be binding upon the Parties, their successors and assigns. No Party may assign, in whole or in part, its interest in this agreement without the approval of the other Party.

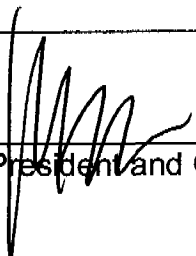
27. INSPECTION. All work shall be subject, at all times, to inspection by and with approval of the City, but the making (or failure or delay in making) such inspection or approval shall not relieve ATS of responsibility for performance of the work in accordance with this agreement, notwithstanding the City's knowledge of defective or non-complying performance, its substantiality or the ease of its discovery. ATS shall provide sufficient, safe, and proper facilities and equipment for such inspection and free access t such facilities.

Dated: \_\_\_\_\_

AMERICAN TRAFFIC SOLUTIONS, LLC.

City of Spokane Business License No.

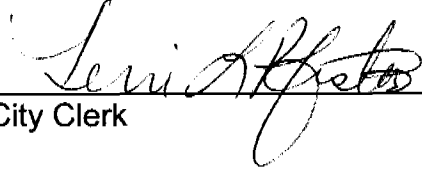
\_\_\_\_\_  
Email Address, if available:

\_\_\_\_\_  
By:  \_\_\_\_\_  
Title: President and CEO


Dated: March 10, 2008

CITY OF SPOKANE

By:   
Title: (Thomas E. Daneek, Jr. City Administrator)

Attest:   
City Clerk

Approved as to form:

  
Assistant City Attorney bab020408



Attachments which are a part of this agreement:

- Exhibit A – Scope of Work
- Exhibit B - Compensation

SCOPE OF WORK  
WORK ORDER ONE

1. 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 (4) lanes at one (1) 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 (1) direction of travel of one (1) or more lanes on a road or a traffic intersection.

“Violation” means failure to obey an applicable traffic law or regulation, 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.

2. DAY-TO-DAY ADMINISTRATION:

The following persons shall be responsible for the day to day administration of this agreement:

City: Sergeant Eric Olsen  
Spokane Police Department  
City/County Public Safety Building  
1100 West Mallon Avenue  
Spokane, Washington 99260  
Phone: (509) 835-4587  
Fax: (509) 625-4066

Email: [eolsen@spokanepolice.org](mailto:eolsen@spokanepolice.org)

ATS: Director of Operations  
American Traffic Solutions, Inc.  
14861 N. Scottsdale Road, Suite 109  
Scottsdale, Arizona 85254-2788,  
Phone: (480) 443-7000  
Fax: (480) 607-0901  
Email: [noc@atsol.com](mailto:noc@atsol.com)

The Parties may change the above contact persons upon written notice to each other.

3. CAMERA SYSTEM.

- A. ATS agrees to provide the City with Axis<sup>TM</sup> RLC-300 (or better) Red Stationary Camera Systems.
- B. The system must utilize a high-resolution digital camera (or cameras). The system shall provide at least ten (10) seconds of full-motion video imaging of each violation as well as at least two (2) still images of the violation event: the first image shall clearly show the scene, including the red signal and a clear view of the vehicle with its front tires in front of the stop bar, prior to committing a violation; and the second image shall clearly show the scene, including the red signal and a clear view of the vehicle inside the intersection while the traffic signal is still red. The license plate number and details must be clearly visible in either one (1) of the two (2) images.
- C. From point of data capture, all camera photos and accompanying video sequences must be capable of secure storage and transmission, and capable of maintaining a secure chain of evidence.
- D. Unless an alternative is approved by the City's day-to-day administrator, violation detection and camera triggering must be non-invasive. The vehicle detection system shall use digital video without a minimum speed for detection. Installation will be accomplished without interfering with existing roadway surfaces, with the exception of necessary conduit installation in accordance with the City's Pavement Cut Policy (ADMIN 0370-05-02).

4. ATS IMPLEMENTATION RESPONSIBILITIES.

- A. ATS agrees to provide a turnkey solution for Red Light Stationary Camera Systems to the City of Spokane (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 Sections 5 and 8 of this "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.

- B. ATS agrees to make every effort to adhere to the project time line outline to be agreed upon between the Parties.
- C. ATS will assist the City with video evaluation of candidate sites using the Axis VIMS system.
- D. ATS will install Camera Systems at 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 Orders(s), to add to the quantities and locations where Camera Systems are installed and maintained.
- E. ATS shall obtain, at its sole expense, all required permits, licenses, and insurance required for the completion of the installation of the system.
- F. ATS agrees to commence the installation of the Systems within fourteen (14) days after all approvals and required permits have been approved (the date all permits are approved shall hereinafter be referred to 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.
- G. ATS agrees to have all agreed-upon installation work completed and have the Systems fully operational according to the Project Schedule.
- H. The City and ATS will complete the Project Business Process work flow design within thirty (30) calendar days of contract signature. The Parties will use the provided drafts as the basis for the final workflow design.
- I. Work shall commence when the City issues a notice to proceed and it shall be completed no later than ninety (90) days after receipt of the last installation permit, unless the completion date is extended in writing by the City.
- J. During the term of the agreement, ATS agrees to provide the Police Department a work station for handling violation evaluations; a work station for customer use in the court house; and a computer to include a large computer screen for the court for violation viewing. ATS will provide the City with a "note due" for these items. The City agrees to reimburse ATS for the cost of items once the program has generated adequate revenue to the City to cover the advances for the equipment. The City's MIS Department shall maintain the computers after delivery and installation by ATS.

5. CITY IMPLEMENTATION RESPONSIBILITIES.

- A. Within seven (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.
- B. Within seven (7) business days of contract execution, the City shall provide ATS with the name and contact information for the Spokane Municipal Court manager responsible for oversight of all court-related program requirements.
- C. The City shall make every effort to adhere to the Project Time Line.
- D. 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.
- E. The City and ATS shall complete the Project Business Process Work Flow design within thirty (30) calendar days of contract signature, using the drafts provided as the basis for the final workflow design.
- F. The City Prosecutor shall provide the specific text required to be placed on the citation within thirty (30) calendar days of contract signature. The Washington Administrative Office of the Courts (AOC) must approve this notice. The City shall make reasonable efforts to expedite the approval process but cannot guarantee that AOC will communicate approval within thirty (30) days of contract signature.

6. ATS OPERATION RESPONSIBILITIES.

- A. ATS will operate each Camera System on a twenty-four (24) hour basis, barring downtime for maintenance and normal servicing activities.
- B. ATS agrees to provide necessary training (to include “train the trainer”) for persons designated by the City.
- C. At no additional cost, ATS shall develop and implement a Public Awareness Campaign according to ATS’ proposal. This will include providing the content and design of public education materials, Web-site design, and assistance with media kick-off events, press releases and communications as specified in its response to the City’s Request for Proposals. The content must have the approval of the City. All media related issues will be coordinated by the City.

- D. ATS agrees to provide a secure web site ([www.violationinfo.com](http://www.violationinfo.com)) accessible to citation recipients (defendants) by means of a Notice Number and a PIN, which will allow violation image review.
- E. The system shall be capable of continuous remote monitoring to determine proper operation. ATS shall perform remote status checks and camera monitoring at least twice daily. The system must automatically notify appropriate personnel of any system failure or other problem that would cause the system to be inoperable. ATS will then be required to respond and repair any report of a malfunctioning system within twenty-four (24) hours of receiving notice. No existing traffic signal systems telemetry shall be used for conveyance of any system information, reports, or failure notification.
- F. 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.
- G. ATS shall repair a non-functional Stationary Camera System within seventy-two (72) hours of determination of a malfunction.
- H. ATS shall repair the Axis VPS system within one (1) business day from the time of the outage. Outages of City internet connections or infrastructure are excluded from this service level.
- I. 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.

7. ATS INFRACTION PROCESSING.

- A. ATS shall provide the City with access to ATS's automated web-based citation processing system (Axis VPS).
- B. ATS agrees to issue warning notices to violators for 30 days at the outset of the program.
- C. As the Party responsible for initial contact with the red light violator, ATS shall mail at least one (1) citation or notice of violation per chargeable event. Each citation or notice shall be delivered by first class mail to the registered owner within the statutory period. ATS shall also mail subsequent citations or notices to drivers identified in

affidavits of non-liability or by rental car companies. For mail not delivered due to address problems, ATS will mail the citation again if the City provides it with better information.

ATS shall send a Notice of Hearing, within the time allowed by court rule, to all registered owners who elect to contest or mitigate their citation and shall reschedule the hearing one time (only) at the registered owner's request. The City shall use the Axis system.

The City shall provide to ATS, on a weekly basis (or as otherwise agreed), a text file containing all citations that have been adjudicated at the contested or mitigated hearings and the resulting disposition of the citation.

- D. ATS shall apply an electronic signature to the infractions when authorized to do so by an approving law enforcement officer.
- E. ATS shall obtain in-state vehicle registration information necessary to issue infractions assuming that it is named as the City's agent and the state provides the registration data at no cost.
- F. Where obtainable, ATS shall provide out-of-state vehicle registration necessary to issue infractions at no cost to the City.
- G. ATS will designate rental car companies as registered owners. Notices of violation (not citations) shall initially be issued to rental car companies. ATS will issue citations to designated drivers if the rental car company identifies the driver. If the rental car company does not identify the driver within the time allowed by statute, ATS will issue a citation to the rental car company.
- H. The Axis™ system, which provides the City with the ability to run and print a report, shall include reports including, but not be limited to:
  - 1) Issuance Rate Report
  - 2) Location Performance Summary Report
  - 3) Location Performance Detail Report
  - 4) Violation Reject Report
  - 5) Document Aging Report

ATS will work with the City to design other management reports that are descriptive of infraction, hearing and collection activity as requested.

- I. ATS shall provide the City with, or train a local expert witness, to testify in court on matters relating to the accuracy, technical operations, and effectiveness of the Axis™ System.
- J. 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.
- K. As part of its turnkey system, ATS shall provide violators with the ability to view violations online. Information and forms regarding Affidavits of non-liability shall be provided online and Affidavits shall be directed to and processed by ATS/Axis.

ATS shall commence collection actions and pursue registration suspensions (if authorized by legislation in the future) and other legal and customary means necessary to compel payment of unpaid infractions

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.

ATS shall process all payments of infractions, including checks, money orders and cashiers checks.

ATS shall operate an electronic payment portal for the purpose of accepting debit/credit card, electronic check (ACH) payments over the Internet. The fees, if any, for these transactions will be paid by the user through the application of a convenience fee.

## 8. CITY OPERATION RESPONSIBILITIES.

### A. Street Department Operations.

- 1) The City will design, fabricate, install and maintain red light camera warning signs.
- 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.
- 3) The City may allow ATS to use existing street furniture and poles 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 and poles at the intersections.

- 4) The City shall not require ATS to provide installation drawings stamped by a licensed civil engineer where the installation will not significantly alter roadway improvements or existing utilities. ATS work product and drawings shall conform to professional norms and reflect the details of installation work to be completed.
- 5) The City shall approve or reject ATS' submitted plans within fifteen (15) working days of receipt. Where more than one (1) submittal is required by ATS to meet City of Spokane Standards, each corrected submittal by ATS shall restart a seven (7) working day review period.
- 6) The design and installation shall meet the most current City of Spokane Design Standards and Policies and be approved through the City's Engineering Services Department. All construction and installation shall be in accordance with the most current edition of the WSDOT "Standard Specifications for Road, Bridge, and Municipal Construction" and the City of Spokane "General Provisions for Private Contracts".
- 7) The City shall process right of way use and pole attachment permit requests prepared by ATS in accordance with City established criteria. ATS shall be responsible for all applicable fees to process required permits unless waived by the City prior to application of the permits.
- 8) No open trenching at concrete intersections for conduit installations will be allowed. Any open trenching in other areas must follow City of Spokane guidelines and the City's Pavement Cut Policy.
- 9) Use only COS signal/lighting conduit from controller cabinet to the junction box that is nearest the signal controller cabinet.
- 10) Will not be allowed to use other COS conduit.

**B. Police Department Operations:**

- 1) The Spokane Police Department (SPD) shall process each potential violation in accordance with Washington State Laws and City Ordinances within three (3) business days of its appearance in the Police Review Queue, using Axisis™ to determine which violations will be issued as Infractions or Notices of Violations. The City and Consultant shall mutually agree on rejection criteria.
- 2) SPD workstation computer monitors for citation review and approval should provide a resolution of 1280 x 1024.
- 3) For optimal data throughput, SPD workstations should be connected to a high-speed internet connection with bandwidth of T-1 or greater.

- 4) SPD shall provide signatures of all authorized police users who will review events and approve citations on forms provided by ATS.

C. Municipal Court Operations:

- 1) The City shall provide to ATS, on a monthly basis (or as otherwise agreed), a list of available contested and mitigated hearing dates and times.
- 2) SMC shall provide a judge or hearing officer and court facilities to hear disputed citations
- 3) SMC shall provide information to citizens regarding the disposition of citations that were contested or mitigated and adjudicated by a judge or hearing officer. Citizens who have questions about payments, disputes, or ATS or Axis technology will be referred to ATS's website and /or toll-free telephone numbers provided by ATS for that purpose.
- 4) In the event that remote access to the ATS Axis VPS System is blocked by City network security infrastructure, the Spokane Information Services Division shall coordinate with ATS to facilitate appropriate communications while maintaining required security measures.

10. ACCEPTANCE.

- A. Upon completion of installation, ATS shall perform an end-to-end test for each of the contracted approaches.
- B. Upon completion of installation and testing of all contracted approaches, ATS shall notify the City that the system is ready for acceptance.
- C. The City shall conduct an acceptance test in accordance with the RFP specifications.
- D. Upon successful completion of the acceptance test, the City shall issue a certificate of acceptance.

11. PAYMENT SCHEDULE: Upon certification of acceptance, the City shall commence monthly payments.

## COMPENSATION

1. PAYMENT.

- A. ATS shall submit requests for payment to the City for its services on a monthly basis. The payment request shall be 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.
- B. Payment by the City will be due thirty (30) days after receipt of the ATS' invoice. Requests for payment shall be made to:
- Sergeant Eric Olsen  
Spokane Police Department  
City/County Public Safety Building  
1100 West Mallon Avenue  
Spokane, Washington 99260.

2. CONTRACT PRICING. The pricing covers fixed and variable costs of the system installation, maintenance and operation.

<b>Description of Pricing</b>	<b>Fee</b>
<b>Flat Monthly Fee for each Red Light Camera – up to 4 lanes</b>	<b>\$4,600</b>
<b>Flat Monthly Fee for each Red Light Camera – 5 lanes (two systems)</b>	<b>\$4,750</b>
<b>Flat Monthly Fee for each School Zone Fixed Site Speed Camera</b> Fee includes a 4-lane site and up to 800 issued citations per month per camera	<b>\$4,750</b>
<b>Flat Monthly Fee for each Mobile Speed Camera (City Operator)</b> Fee includes up to 800 issued citations per month per camera	<b>\$7,500</b>
<b>Fee per notice issued over 800 per month per camera</b>	<b>\$5.00</b>
<b>Lockbox Check Payment Processing (per payment processed)</b>	<b>Waived</b>
<b>On-Line EPayment Processing (Visa, MasterCard, Debit, E Check)</b> Convenience fee charged to user	<b>Free to City</b>
<b>SecurID Two-Factor Security Option</b>	<b>\$2,000</b>
<b>User fee per user per month, includes software licensing, support and SecurID fob</b>	<b>\$20</b>
<b>Replacement SecurID fob</b>	<b>\$200</b>

3. SUPPLEMENTAL SERVICES. Delinquency Collections – Twenty-five percent (25%) of recovered revenue fee for collection services. Collections are defined as any ATS activities beyond the first two (2) notices.