



16501 Jersey Drive
Jersey Village, Texas 77040-1999
(713) 466-2100

A Texas Star Community

Incorporated 1956

August 21, 2007

American Traffic Solutions, Inc.
Attn: Chief Operating Officer
14861 N. Scottsdale Rd., Suite 109
Scottsdale, AZ 85254

Dear Chief Operating Officer:

Enclosed is a certified copy of Resolution No. 2007-32 passed August 20, 2007, by the City Council of the City of Jersey Village. Council determined that the City would enter into an agreement with American Traffic Solutions, Inc. for services. The original contract is also enclosed. Please sign the original contract and return it to following address: City Secretary, City of Jersey Village, Jersey Village, TX 77040.

Please feel free to contact me if you have any questions at 713-466-2012.

Sincerely,


LaKeisha Cannon-Scott
City Secretary

Enclosure(s)



CERTIFICATION

THE STATE OF TEXAS

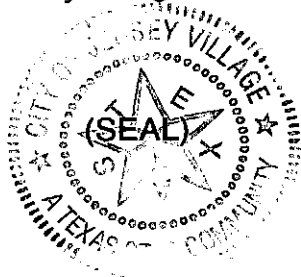
§

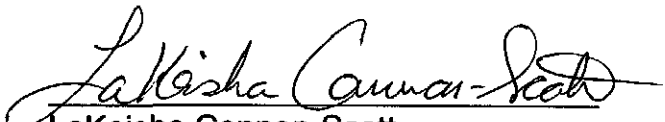
COUNTY OF HARRIS

§

I, LaKeisha Cannon-Scott, City Secretary of the City of Jersey Village, Texas, hereby certify that the attached constitutes a true and correct copy of **Resolution No. 2007-32 duly passed and approved on its reading by the City Council on the 20th day of August 2007.**

Witness my hand and seal of the City of Jersey Village, Texas, this 21st day of June 2007, at Jersey Village, Texas.




LaKeisha Cannon-Scott
City Secretary

RESOLUTION NO. 2007-32

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE AUTHORIZING THE ACQUISITION OF A PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEM AND RELATED SERVICES.

WHEREAS, the City Council of the City of Jersey Village, Texas (the “City”) has amended Chapter 66 of the Code of Ordinances to provide rules and regulations implementing a photographic traffic signal enforcement system (“system”); and,

WHEREAS, the City desires to acquire a system; and,

WHEREAS, the Houston-Galveston Area Council (“HGAC”), a council of governments, has created a cooperative purchasing program, known as HGACBuy of which City is a member; and,

WHEREAS, City’s acquisition of a system through HGACBuy will satisfy all applicable competitive bidding requirements (TEX. GOV. CODE ANN. § 791.025); and,

WHEREAS, of the systems available through HGACBuy, City has selected the Axis System of American Traffic Solutions, Inc. (“ATS”) as the system most suitable for its purposes; and,

WHEREAS, City desires to acquire such system through HGACBuy; now, therefore,

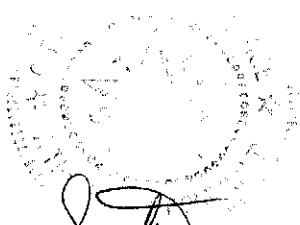
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS:

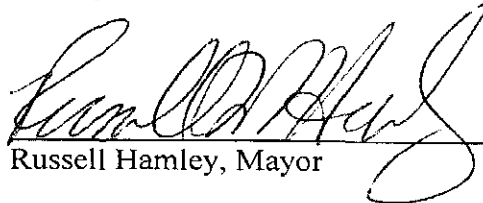
Section 1. That the matters set forth in the preamble to this Resolution are affirmed and ratified.

Section 2. That the City Manager be, and he is hereby authorized to enter into an agreement with ATS under the HGAC Buy program, and substantially in the form attached hereto, for the acquisition of a system and services related thereto. The City Manager is further authorized to approve on behalf of the City Schedules 1 through 4 of Exhibit A to the agreement.

PASSED AND APPROVED this 20th day of August, 2007.

ATTEST:


LaKeisha Cannon-Scott
LaKeisha Cannon-Scott, City Secretary



Russell Hamley, Mayor

AGREEMENT

THIS AGREEMENT made this 20th day of August, 2007 between American Traffic Solutions, Inc. (herein "ATS"), a corporation duly registered under the laws of the State of Kansas with its principal place of business at 14861 North Scottsdale Road, Suite 109, Arizona, County of Maricopa, State of Arizona, and the City of Jersey Village, Texas, herein "City", a municipal corporation of the State of Texas with principal offices at 16501 Jersey Drive, Jersey Village, Texas 77040.

WITNESSETH:

WHEREAS, ATS has the exclusive knowledge, possession and ownership of certain equipment, licenses, and processes, referred to collectively as the "Axisis"™ System" (herein "Axisis"); and,

WHEREAS, City desires to use the Axisis™ System to monitor and enforce red light violations, and may, in the future desire to monitor and enforce traffic speed or other traffic movements and to issue citations for traffic violations; and,

WHEREAS, the Houston Galveston Area Council ("HGAC"), a council of government, has created a cooperative purchasing program, known as HGACBuy, of which City is a member; and,

WHEREAS, "Axisis" is available through HGACBuy and City's acquisition of it through such program satisfies all applicable competitive requirements (TEX. GOV. CODE ANN. § 791.025); and,

WHEREAS, this agreement is under the HGACBuy program;

NOW THEREFORE, the parties agree:

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 Axisis™.

"**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 one (1) rear camera, strobe, and traffic monitoring device capable of accurately detecting a traffic infraction on up to four lanes controlled by a signal phase and which records such data with one or more images of such vehicle. "Camera System" shall also, where the sense requires, include any enclosure or cabinet and related appurtenances in which the Axisis™ is stationed.

"**Approach**" is defined as one direction of travel of one or more lane on a road or a traffic intersection up to 4 lanes controlled by a single signal phase.

"**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, and operating a motor vehicle without displaying a valid license plate.

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

"**VIMS Analysis**" is a statistical assessment of violations rates at suspected problem intersections and approaches to determine the need for a red light system.

2. ATS AGREES TO PROVIDE:

The scope of work identified in Exhibit "A, Section 1".

3. CITY AGREES TO PROVIDE:

The scope of work identified in Exhibit "A, Section 2".

4. TERM AND TERMINATION:

- a. This contract shall be effective on the signature date above.
- b. The term of this Agreement shall be for five (5) years beginning on the date of first issued and payable notice of a violation (the "Start Date") and may be automatically be extended for one additional five (5) year period. However, City may terminate this Agreement at the expiration of any term by providing written notice of its intent not to extend the Agreement 120 days prior to the expiration of the current term.
- c. The Contractor's services may be terminated:
 - i) By mutual written consent of the parties;
 - ii) For cause, by either party where the other party fails in any material way to perform its obligations under this Agreement. Termination under this subsection is subject to the condition that the terminating party notifies the other party of its intent to terminate, stating with reasonable specificity the grounds therefor, and the other party fails to cure the default within forty-five (45) days after receiving notice.
 - iii) For convenience as result of adverse state legislation, according to the terms and conditions agreed.
- d. Upon termination of this Agreement, the parties shall take the following actions, and shall have the following obligations, which survive termination during the wind-down period: City shall cease using the Axis™ System, shall return or allow ATS to recover all provided equipment within a reasonable time not to exceed 60 days, and shall not generate further images to be processed. Unless directed by the City not to do so, ATS shall continue to process all images taken by the City before termination and provide all services associated with processing in accordance with this Agreement, and shall be entitled to all Fees specified in the Agreement as if the Agreement were still in effect.

5. ASSIGNMENT:

Neither party may assign all or any portion of this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed.

6. FEES AND PAYMENT:

City shall pay for all equipment, services and maintenance on a fixed fee of \$4,821.00 per month which includes all fees payable to HGACBuy. The City shall pay all fees due ATS based upon invoices from the preceding month within 30 days of submission. Late payments are subject to interest calculated at 1.5% per month on open balances.

Each anniversary date of the term, the unit prices will increase by the CPI, according to the average of the U.S. Department of Labor, Consumer Price Index.

During the 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.

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), including such amounts paid by City to the Comptroller for deposit to the credit of the regional trauma account as required by Chapter 707 of the Texas Transportation Code, will be used to offset future ATS invoices in the event of monthly deficits.

7. INTERSECTION AND VIOLATION RATE ANALYSIS:

Prior to implementing the Axis System, ATS may conduct an analysis of each Approach being considered for a Camera System. If ATS deems necessary, ATS will use the Axis™ VIMS (Violation Incident Monitoring System) or other tool or means to complete the analysis over a 4 to 24 hour period. The City will be provided a report on violations recorded at each monitored approach, including the time of day and lanes on which the violations occurred. For any Approach recommended by the City, ATS may install a Camera System. However, ATS may elect not to install a Camera System where traffic violation data does not support installation of the Axis System.

8. COMMUNICATION OF INFORMATION:

ATS agrees that all information obtained by ATS through operation of the Axis System shall be made available to the City at any time during ATS's normal working hours, excluding trade secrets and other confidential or proprietary information not reasonably necessary for the prosecution of citations or the fulfillment of City's obligation under this Agreement.

9. CONFIDENTIAL INFORMATION:

No information given by ATS to City will be of a confidential nature, unless specifically designated in writing as proprietary and confidential by ATS. Provided, however, nothing in this paragraph shall be construed contrary to the terms and provisions of any "Open Records Act" or similar laws, insofar as they may be applicable. ATS shall not use any information acquired by this program with respect to any violations or the City's law enforcement activities for any purpose other than the program.

10. OWNERSHIP OF SYSTEM:

It is understood by the City that the System being installed by ATS is, and shall remain, the sole property of ATS. The System is being provided to City only under the terms and for the term of this Agreement.

11. INDEMNIFICATION AND INSURANCE:

ATS shall at all times comply with all federal, state and local laws, ordinances and regulations and shall comply with the maintenance procedures and manufacturer recommendations for operation of the Axis™ equipment which affect this Agreement, and shall indemnify and save harmless the City against any claims arising from the violation of any such laws, ordinances and regulations or any claims arising from the violations of the maintenance procedures and manufacturer recommendations for operation of the equipment as a result of the negligence or willful misconduct of ATS, its officers and directors, agents, attorneys, and employees, but excluding any employees or agents of City.

ATS shall maintain the following minimum scope and limits of insurance:

- (a) Commercial General Liability Insurance including coverage for bodily injury, property damage, premises and operations, products/completed operations, personal and advertising injury, and contractual liability with a combined single limit of \$1,000,000 per occurrence. Such insurance shall include the City, its officers, directors, employees, and elected officials as additional insured's for liability arising from ATS's operation.
- (b) Workers Compensation as required by applicable state law, and Employers' Liability insurance with limits of not less than \$500,000 each accident; ATS shall at all times maintain worker's compensation insurance coverage in the amounts required by law, but shall not be required to provide such coverage for any actual or statutory employee of City.
- (c) Comprehensive Business Automobile Liability Insurance for all owned, non-owned and hired automobiles and other vehicles used by ATS with a minimum \$1,000,000 per occurrence combined single limit bodily injury and property damage.

The City and its officers and employees, shall be named as additional insured on the comprehensive general liability policies provided by ATS under this Agreement. ATS shall require any subcontractors doing work under this Agreement to provide and maintain the same insurance, which insurance shall also name the City and its officers, employees, and authorized volunteers as additional insureds.

Certificates showing ATS is carrying the above described insurance, and evidencing the additional insured

status specified above, shall be furnished to the City within thirty calendar days after the date on which this Agreement is made. Such certificates shall show that the City shall be notified of all cancellations of such insurance policies. ATS shall forthwith obtain substitute insurance in the event of a cancellation.

Inasmuch as the City is a body politic and corporate, the laws from which City derives its powers, insofar as the same law regulates the objects for which, or manner in which, or the concerns under which, the City may enter into this Agreement, shall be controlling and shall be incorporated by reference into this Agreement. The City shall be responsible for vehicle insurance coverage on any vehicles driven by City employees.

12. STATE LAW TO APPLY:

This Agreement shall be construed under and in accordance with the laws of the State of Texas.

13. DISPUTE RESOLUTION:

All disputes arising out of or in connection with the Agreement shall be attempted to be settled through good-faith negotiation between senior management of both parties, followed if necessary within thirty (30) days by professionally-assisted mediation. Any mediator so designated must be acceptable to each party. The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the dispute. The mediation will be treated as a settlement discussion and therefore will be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. No recording or transcript shall be made of the mediation proceedings. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

- (a) Failing resolution through negotiation or mediation, any remaining dispute shall be submitted to binding arbitration in accordance with the Arbitration Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association ("AAA Rules") before a single arbitrator. The place of arbitration will be mutually agreed upon within 14 days of a decision to seek arbitration. Limited discovery will be permitted in connection with the arbitration upon agreement of the parties or upon a showing of substantial need by the party seeking discovery. The arbitrator's decision shall follow the plain and natural meaning of the relevant documents, and shall be final and binding. The arbitrator will have no power to award (i) damages inconsistent with the Agreement or (ii) punitive damages or any other damages not measured by the prevailing party's actual damages, and the parties expressly waive their right to obtain such damages in arbitration or in any other forum. All aspects of the arbitration will be confidential. Neither the parties nor the arbitrator may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Each party will promptly pay its share of all arbitration fees and costs, provided that such fees and costs shall be recoverable by the prevailing party as determined by the arbitrator. If a party fails to pay such share promptly upon demand, the arbitrator shall, upon written request by the other party, enter a final and binding decision against the nonpaying party for the full amount of such share, together with an award of attorney's fees and costs incurred by the other party in obtaining such decision, which decision may be entered in any court of competent jurisdiction. Except for the failure of a party to pay arbitration fees and costs that requires resort to the arbitrator to order such payment, the parties will bear their own attorneys' fees in any matter or dispute under this Agreement.

14. CHANGE ORDERS OR ADDITIONAL SERVICES:

Changes to services or scope and additional systems and services may be added to this agreement by mutual consent of the parties in writing as an addendum to this Agreement.

15. LEGAL CONSTRUCTION:

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as of such invalid, illegal, or unenforceable provision had not been contained herein.

16. NO PRIOR AGREEMENT:

This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understanding, written or oral, between the parties respecting the written subject matter.

17. AMENDMENT:

No amendments, modifications, or alterations of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date of this Agreement and duly executed by the parties.

18. NO AGENCY:

ATS is an independent contractor providing services to the City and the employees, agents and servants of ATS shall in no event be considered to be the employees, agents, or servants of the City. This contract is not intended to create an agency relationship between ATS and the City.

19. FORCE MAJEURE:

Neither party will be liable to the other or be deemed to be in breach of this agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control and without its fault or negligence. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, significant fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or governmental authorities approval delays which are not caused by any act or omission by ATS. The party whose performance is affected agrees to notify the other promptly of the existence and nature of any delay.

20. TAXES:

In the event that any excise, sales or other taxes are due relating to this service contract, the City will be responsible for the payment of such taxes.

21. NOTICES:

Any notices or demand which under the terms of this Agreement or under any statute must or may be given or made by ATS or City shall be in writing and shall be given or made by personal service, telegram, first class mail, FedEx, or by certified or registered mail to the parties at the following address:

City of Jersey Village
16501 Jersey Drive
Jersey Village, Texas 77040
Attn: City Manager

American Traffic Solutions, Inc.
14861 N. Scottsdale Rd, Suite 109
Scottsdale, AZ 85254
Attn: Chief Operating Officer

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date on Page 1.

AMERICAN TRAFFIC SOLUTIONS, INC.



Adam E. Tuton, Executive Vice President

CITY OF JERSEY VILLAGE



Mike Castro, City Manager



ATTEST:


LaKeisha Cannon-Scott, City Secretary

Exhibit A
ATS SCOPE OF WORK

1. AMERICAN TRAFFIC SOLUTIONS (ATS) SCOPE OF WORK

1.1. ATS IMPLEMENTATION

- 1.1.1. ATS agrees to provide a turnkey solution for Camera Systems to 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 3.
- 1.1.3. ATS will assist the City with video evaluation of candidate sites using the Axis VIMS system.
- 1.1.4. ATS will install Camera Systems at a number of intersection or grade crossing approaches to be agreed upon between ATS and the City after completion of site analyses to be entered into Schedule 4. 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.
- 1.1.5. ATS will operate each Camera System on a 24-hour basis, barring downtime for maintenance and normal servicing activities.
- 1.1.6. ATS' in-house marketing department will assist the City with public information and outreach campaign strategies. In addition, depending upon the agreed-upon strategy, ATS may pay for agreed upon extra scope expenditures for public relations consultants, advertising, or media relations provided that such extra scope expenditures will be reimbursed to ATS from collected revenues.
- 1.1.7. 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 and video viewing.
- 1.1.8. 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 1 and 2 as the basis for the final workflow design.
- 1.1.9. ATS normally shall provide technician site visits to each 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.
- 1.1.10. ATS shall repair a non-functional Camera System within 72 business hours of determination of a malfunction.
- 1.1.11. 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.

- 1.1.12. For any city using ATS lockbox or epayment services, ATS will establish a demand deposit account bearing the title, "American Traffic Solutions, Inc. as agent for City" at U.S. Bank. All funds collected on behalf of the City will be deposited in this account and transferred by wire the first business day of each week to the City's primary deposit bank. The City will identify the account to receive funds wired from U.S. Bank. City shall sign a W-9 and blocked account agreement, to be completed by the City, to ensure the City's financial interest in said U.S. Bank account is preserved.

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, 1st notice color printing and mailing of at 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. Mailings to owners responding to first notices identifying drivers in affidavits of non-liability or by rental car companies are also included according to each pricing option.
- 1.2.3. Subsequent notices (such as second or pre-collection letters) may be delivered by First Class or other mail means for additional compensation to ATS.
- 1.2.4. ATS shall apply an electronic signature to the citation when authorized to do so by an approving law enforcement officer.
- 1.2.5. 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.
- 1.2.6. ATS shall seek records from out-of-state vehicle registration databases and apply records found to Axis to issue citations for the City according to each pricing option.
- 1.2.7. If City is unable to or does not desire to integrate ATS data to its court system, ATS shall provide an on-line court processing module, which will enable the court review cases, related images, correspondence and other related information required to adjudicate the disputed citation. The system will also enable the Court staff to accept and account for payments. Any costs to integrate ATS system to a court computer system shall be borne by the City. ATS may agree to cover these up front costs and recover the costs from collected revenue.
- 1.2.8. The Axis™ VPS system, which provides the City with ability to run and print standard system reports.
- 1.2.9. If required by the court or prosecutor, 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 until judicial notice is taken.
- 1.2.10. 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 for the pre-approved repair cost. ATS shall bear the cost to replace or repair equipment damaged in all other circumstances.
- 1.2.11. ATS shall provide a 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.

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 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 shall, on a form provided by ATS, provide verification to the State Department of Motor Vehicles, National Law enforcement Telecommunications System, or appropriate authority 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.
- 2.1.5. 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 shall use its best efforts to execute a right of way agreement or amendment to allow installation of red light cameras on state roads with Texas Department of Transportation within 30 days of contract execution.
- 2.2.2. If the City chooses to move a Camera System to a new approach after initial installation, it shall pay the costs to relocate the System.
- 2.2.3. City will design, fabricate, install and maintain red light camera warning signs. If City cannot provide such signage, ATS will do so and charge the costs to the client.
- 2.2.4. The City shall provide access to traffic signal phase connections according to approved design.
- 2.2.5. City shall allow ATS to access power from existing power sources at no cost and shall allow or facilitate access to traffic signal phase connections to a pull box, pole base, or controller cabinet nearest to each Camera System within the City's jurisdiction. The costs of any additional conduit or power infrastructure needed to support installation of the Camera shall be funded by ATS and ATS shall recover such added costs out of collected revenue in addition to its normal fees.
- 2.2.6. The City shall not require ATS to provide installation drawings stamped by a licensed civil engineer. However, ATS work product and drawings shall be overseen and approved by a PE and such deliverable shall conform to applicable engineering norms and reflect the details of installation work to be completed.
- 2.2.7. The City shall approve or reject ATS submitted plans within 7 business days of receipt and shall limit iterations to a total of one revision beyond the initially submitted plans. Total plan approval duration shall not exceed 10 business days.
- 2.2.8. The City shall not charge ATS or its subcontractor for building, construction, street use and/or pole attachment permits.

2.3. POLICE DEPARTMENT OPERATIONS

- 2.3.1. The Police Department shall process each potential violation in accordance with State Laws and/or 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.
- 2.3.2. Police Department workstation computer monitors for citation review and approval should provide a resolution of 1280 x 1024.
- 2.3.3. For optimal data throughput, Police Department workstations should be connected to a high-speed internet connection with bandwidth of T-1 or greater.
- 2.3.4. Police Department shall provide signatures of all authorized police users who will review events and approve citations on forms provided by ATS.

2.4. ADMINISTRATIVE ADJUDICATION HEARINGS

- 2.4.1. The City shall provide and conduct administrative adjudication proceedings as required by Chapter 707 of the Texas Transportation.
- 2.4.2. The proceedings will be conducted in the manner provided by ordinance.
- 2.4.3. A motor vehicle owner may appeal an adverse administrative determination to the Municipal Court as provided by ordinance.

2.5. COURT OPERATIONS

- 2.5.1. If City does not provide check payment processing, City use ATS payment processing services. The fees for lockbox and epayment services are presented on Schedule 1.
- 2.5.2. Court shall provide a judge and court facilities to schedule and hear disputed citations appealed to it.
- 2.5.3. Municipal Court shall handle inbound and outbound phone calls and correspondence from defendants who have questions about disputes, and other issues relating to appeals from administrative determinations.
- 2.5.4. Any potential one time, direct costs to ATS (including ATS' costs) to develop an interface between the Court system will be initially paid by ATS will be reimbursed to ATS from collected revenues from the program once available.

2.6. INFORMATION TECHNOLOGY DEPARTMENT OPERATIONS

- 2.6.1. In the event that remote access to the ATS Axis VPS System is blocked by City network security infrastructure, the City's Department of Information Technology shall coordinate with ATS to facilitate appropriate communications while maintaining required security measures.
- 2.6.2. If City-owned telecommunications lines or WiFi networks are present at or near the site, and if feasible to share such existing bandwidth, ATS shall be allowed to use such infrastructure for data transmission. ATS shall work with the City's IT department to ensure City security protocols are maintained.

**Schedules 1 and 2
Workflow Diagrams**

[to be added after consultation with Police and Court]

Schedule 3
Project Timeline

To be developed upon consultation with police and court.

Schedule 4
Initial Camera Locations

To be developed upon consultation with police and traffic engineering and after video and engineering analysis by ATS.





Red Light & Speed Camera - Business Rules Questionnaire

City: Jersey Village, TX

PM: Jerry Miner

#	Questions	Conditions	Answers
Start up Documentation			
1	What is the contract status?		Signed
2	State statute or Local Ordinance?		State statute
3	If a Local Ordinance, has it passed? What is the reference to it?	Pending Passed	Passed
6	What city code has been assigned?		076
Contact Information – specify who receives invoice / method			
7	Name, title, phone number and email address for primary Police Department contact		Chief Charles Wedemeyer 16401 Lakeview Drive Jersey Village, TX 77040-1999 713-466-5824 Sgt. D.R. Smith (Alternate) 713-466-2116
8	Name, title, phone number and email address for the Technical IT contact for the Police Department		Bob Blevins IT Administrator 16501 Jersey Drive Jersey Village, TX 77040-1999 713-466-2182 bblevins@ci.jersey-village.tx.us
9	Name, title, phone number and email address for primary Court contact		Helen Wo Court Administrator 16501 Jersey Drive Jersey Village, TX 77040-1999 713-466-2128 hwo@ci.jersey-village.tx.us
10	Name, title, phone number and email address for the Technical IT contact for the Court		Bob Blevins IT Administrator 16501 Jersey Drive Jersey Village, TX 77040-1999 713-466-2182 bblevins@ci.jersey-village.tx.us
Cameras, Detection and Signs			
14	What is the violation detection type?		Wireless pucks
15	What Violation types will we be processing?		Red light
16	What images are captured?		Back shots
17	Are we capturing video clips with all violations?	Yes No	Yes
18	Define the Warning Sign requirements.		ATS will design, install, and maintain red light camera warning signs – TXDOT standard
20	Optional Fields on the Data Bar		Speed – Yes Amber Time – Yes Posted Speed - Yes




#	Questions	Conditions	Answers
Workflow – Definition of a Red Light Violation			
21	Line of Demarcation definition (position of front tires in the A-shot) 	1. Behind the Stop line 2. Behind the prolongation of the curb 3. Behind the cross walk 4. Behind whichever line the tires will hit first	Behind the Stop line
22	If front tires are on or slightly over the line of demarcation		2. Enforce as long as there is a video clip which shows the tires were behind the line when the light turned red
23	Violation definition – straight and left (position of vehicle in the B-Shot) 	1. Back tires of vehicle crossed the line of demarcation 2. Entire vehicle crosses the line of demarcation 3. Vehicle completed through intersection	3. Vehicle completed through the intersection
24	Violation definition – right hand turn (position of vehicle in the B-Shot)		1. Vehicle did not come to a full complete stop on a right hand turn. Must stop somewhere.
25	Right Hand Turn – speed threshold	1. Enforce if vehicle is going ____ MPH or greater	0 MPH
26	LED of traffic control signal is a strobe and the photo shows all lights unlit (but video supports that the light was red) 	1. Enforce 2. Do not Enforce	Enforce - as long as there is a video
27	Traffic control signal uses Incandescent bulbs and A-shot shows a fading yellow signal after the start of the red phase 	1. Enforce 2. Do not Enforce	Enforce – as long as there is a video

Red Light & Speed Camera - Business Rules Questionnaire

City: Jersey Village, TX

PM: Jerry Miner

#	Questions	Conditions	Answers
28	For straight through and left turn violations... Can they be enforced if the video clip is missing (occasionally, a video clip is not available)?	1. Yes, if the A-Shot and B-Shot provide sufficient evidence of the violation 2. No	1. Yes, if the A-Shot and B-Shot provide sufficient evidence of the violation
Workflow - Other Operational Decisions			
32	Responsible party for Citation Issuance		PD for Police reviews (citation issuance)
33	Emergency Vehicles Includes: Police, Fire & Ambulance	Lights <u>On</u>	2. Reject
		Lights <u>Off</u>	1. Pass to Police Review Need Vehicle Type drop-down for Emergency Vehicles and City/Government Vehicles to have those violations go to ftp site instead of print vendor. City will research these violations and handle internally.
34	City Government Vehicle of enforcing city	1. Pass to Police Review 2. Reject	1. Pass to Police Review
35	City Government Vehicle of neighboring city		
36	Traffic Control Person is present at intersection	1. Pass to Police Review 2. Reject	2. Reject
38	Intentional masking of plate		1. Attempt to identify; pass to Police Review
39	Collision is present in video - violation will be passed to the Police for Review	1. Pass to Police Review 2. Reject	1. Pass to Police Review
40	Vehicle make/model returned from DMV does not match what is visible in the vehicle image		
45	Registered Owner is a Business Owner	1. No special handling; pass to Police Review 2. Reject	1. No special handling; pass to Police Review
46	Special Handling for Rental Vehicles		
47	Special Handling for Out of State Violators		
Workflow - Stolen Plates / Vehicles			
48	Does the PD have the ability to create and maintain (daily) a stolen vehicle / plate list?	Yes No	No



#	Questions	Conditions	Answers
50	Confirm that notices should not be sent to vehicle owners of stolen vehicles or plates.	Do Not Send Send; no stolen vehicle/plate table	Send; no stolen vehicle/plate table
Workflow – Police Review			
51	Does the ordinance require additional city prosecutor review after the Police have reviewed each violation?	Yes No	No
52	Does a PD supervisor wish to re-review violations rejected by the officers reviewing and approving violations (Police Re-review)?	Yes No	No
Workflow – Issuing the Notice / Warning			
53	Is there a statute/ordinance which defines the # of days between the violation date and the issue date? Is there a contract requirement? Any exceptions for out of state registrations?	Statute/Ordinance # of days:	30
		Contract # of days:	30
		Out of State:	30
54	'Issue Date' Definition – printed on front of notice		Create date of PDF Notice + 3 mail-delay- days
55	How do you count days? (Business or calendar) (Clients.court_logic column)		Calendar
<u>www.ViolationInfo.com</u>			
56	Who will provide walk-in public internet access to those unable to view the video or images at home?	PD Court	No public access provided.
59	Seal in Upper Left Corner	PD – badge or seal City	 City Logo
60	Banner at top of page		City of Jersey Village, TX



Red Light & Speed Camera - Business Rules Questionnaire

City: Jersey Village, TX

PM: Jerry Miner

#	Questions	Conditions	Answers
61	Frequently Asked Questions	ATS will provide for the city to review	ATS to provide to Courtney Rutherford 713-466-2108 cmr@ci.jersey-village.tx.us
62	Display Balance?		Yes
63	Green US Bank E-Pay Button?		Yes
64	Link to City?		No
65	Link to Affidavit (pdf)?		Yes
Warning Period - Review the sample Warning layout and mark changes.			
67	Will there be a warning period?		Yes
68	How long will the warning period be?		30 days
69	Logo - upper left hand corner	PD – badge or seal City	City 
70	Return Address – upper left hand corner (place for undeliverable mail)		ATS Operations - Mesa, AZ
71	Who provides Customer Service during the warning period?		ATS Operations 1-866-790-4111
72	Spanish Translation on Warning		Yes, include Spanish translation
Notice of Violation - Review the sample Notice layout and mark changes.			
73	Logo - upper left hand corner	PD – seal or badge City	City 
74	Return Address – upper left hand corner (place for undeliverable mail)		ATS Operations - Mesa, AZ
75	Is the party willing to enter a new address or a note if no new address is available? (The Payment Statistics Reports breaks out undeliverable mail)	Yes No	Yes ATS to enter a note for undeliverable mail or enter a new address if one is provided.
76	Are there one or two types of First Notices?	TWO TYPES	NOV for Emergency Vehicles and City/Government Vehicles to be placed on ftp server for the city to handle internally.

#	Questions	Conditions	Answers
77	What is the First Notice called?		Notice of Violation
78	What is the calculation of the Payment Due Date?		Issue Date + 30 days
79	What is the fine amount for Red Light? Does it include a court fee?		\$75.00 No
81	What is the ordinance or statute that is to be referenced on the Notice?		Ordinance 2008-06
82	Is there a separate ordinance or statute for solid red and red arrow? •		No - same
84	Will points be assessed? Should a sentence be included stating whether Points will be or will not be assessed?		No Yes
85	Is driving school an option in lieu of paying the fine amount?	Yes No	No
86	Is an officer's electronic signature required?	Electronic Signature Printed Name	Printed Name
89	Are backshot images (A&B for Red Light / single backshot for Speed) to be included on the Notice?	Yes No	Yes
90	Separate data fields on Notice?		Speed – No Amber – No Posted Speed - No
91	Is the registered owner's driver's license number required? Date of birth?	Yes / No Yes / No	No No
92	Are there special requirements for Juveniles?		No
94	What is the county?		Harris
95	Who provides Customer Service? If ATS, is 9 AM – 5 PM local time sufficient? If not ATS, what are the hours?	ATS 1-866-790-4111 Police Department Court	ATS 1-866-790-4111

#	Questions	Conditions	Answers
Affidavits of Non-Responsibility			
Rental Car Companies / Leasing Companies			
97	Which processing group will handle Rental Car Company and Leasing Company affidavits?	PD Court ATS	ATS - Violation Processing Center (Mesa, AZ)
98	Describe the process to be followed if these affidavits are not mailed to the above processing group		Mail or fax to ATS: 209 W. Main Street Mesa, AZ 85201 480-990-4819 – Fax number
99	What should be done if driver address is not US, Canada or Mexico?		ATS can Dismiss
100	Does the Affidavit need to be scanned into Axis?	Yes No	Yes
Car Dealerships / Corporations			
101	Which processing group will handle Car Dealerships & Corporate Affidavit's of non-responsibility?	PD Court ATS	ATS - Violation Processing Center (Mesa, AZ)
102	Describe the process to be followed if these affidavits are not mailed to the above processing group		Mail or fax to ATS: 209 W. Main Street Mesa, AZ 85201 480-990-4819 – Fax number
103	What should be done if driver address is not US, Canada or Mexico?		ATS can Dismiss
104	Does the Affidavit need to be scanned into Axis?	Yes No	Yes
Individuals			
105	Are Affidavits allowed from Individuals where another driver is identified	Yes No	No
106	Which processing group will handle these Affidavit's of non-responsibility?		ATS - Violation Processing Center (Mesa, AZ)
107	Describe the process to be followed if affidavits are not mailed to the above processing group		The City will process these if they are received there.



#	Questions	Conditions	Answers
109	What should be done if driver address is not US, Canada or Mexico?		Dismiss
110	Does the Affidavit need to be Notarized?		Yes
111	Via what channels can an Affidavit be submitted?		Mail to ATS – Violation Processing Center (Mesa, AZ)
112	Does the Affidavit need to be scanned into Axis?	Yes No	Yes
113	Is a dismissal letter mailed to whoever submitted the affidavit?	Yes No	Yes
114	Summarize ATS Operations scope of responsibility with regard to Affidavits		ATS will handle all affidavits. If the city receives an affidavit from a rental/leasing/car dealer, they will mail or fax to Mesa to process. If the city receives an affidavit from an individual, they will process that affidavit. Affidavits from individuals should be scanned, linked and a review scheduled. ATS is to process affidavits received from rental/leasing/car dealers plus scan and link all documentation.
Court Interface of Notice Information			
115	Will an electronic interface between Axis and the Court System where Notice information is provided to the Court and the Court returns payment and disposition information?	Yes No	No
116	Does the court want the electronic PDF File of the Notice?	Yes No	No
118	Will the court manually enter the Notice information?	Yes No	No
119	Is ATS Operations required to print and mail copies of the Notices to the Court?	Yes No	No
Second or Delinquent Notice			
121	What is the timing of the Delinquent Notice? (FNPAYDAYS + NOTICEDELAY)		First Notice Due Date + 5 days
122	What is the Delinquent Notice called?		Delinquent Notice of Violation



Red Light & Speed Camera - Business Rules Questionnaire

City: Jersey Village, TX

PM: Jerry Miner

#	Questions	Conditions	Answers			
123	What is the calculation of the Second Notice Due Date?		Immediate (No calculation done)			
124	Are images required on the Delinquent Notice?	Yes No	No			
125	Is there a Late Fee?		Yes, \$25.00			
More Delinquent Notices and Collections						
126	Is there a third Delinquent Notice?	Yes No	Not at this time. Once a collections vendor is selected, that process will be outlined and put in place.			
134	Will a DMV Hold / Release be utilized? Is there paperwork that needs to be filled out and submitted to the DMV to initiate the process?	Yes No	Not at this time.			
Payment Processing						
135	Does the city wish to utilize US Bank Payment Processing?	Yes No	Yes			
136	Who is the Finance Contact?		Isabel Kato Finance Director 16501 Jersey Drive Jersey Village, TX 77040-1999 713-466-2104 ikato@ci.jersey-village.tx.us			
137	What forms of payment are accepted?		<table border="1"> <tr> <td><u>Lockbox</u> Personal Checks Money Orders Cash</td> <td><u>Web \$4 conv. fee</u> Visa MC</td> <td><u>Walk-In Payments</u> No walk-in payments</td> </tr> </table>	<u>Lockbox</u> Personal Checks Money Orders Cash	<u>Web \$4 conv. fee</u> Visa MC	<u>Walk-In Payments</u> No walk-in payments
<u>Lockbox</u> Personal Checks Money Orders Cash	<u>Web \$4 conv. fee</u> Visa MC	<u>Walk-In Payments</u> No walk-in payments				
Mailed Payments						
138	What address will mailed payments go to?	ATS / US Bank Court	ATS/US Bank			
139	Will the standard payment coupon be utilized?	Yes No	Yes			
Web Payments						
141	Who will handle web payments?		ATS/US Bank			

#	Questions	Conditions	Answers
Walk-in Payments			
143	What is the address for walk-in payments?		There will be no walk-in payments Please train users at Court to enter the Customer Service note to put the notice on hold for 21 days for them to forward to the lockbox.
Refunds			
146	What is the address for refund requests?		Jersey Village Municipal Court 16327 Lakeview Drive Jersey Village, TX 77040
Scheduling of Hearings or Administrative Reviews			
147	How does a violator request a Review or a Hearing?		Signed coupons are mailed to the lockbox, where the signature is detected and sent in Axis. A Review will be scheduled 10-12 days out.
148	If the hearing request is received by the due date, the Scheduled Hearing letter will be mailed	Yes No	No, all requests will be scheduled for a Review initially. If the document is not dismissed a hearing is scheduled and the Scheduled Hearing letter is mailed at that time.
149	If the hearing request is not received by the due date, the Hearing Denied letter will be mailed	Yes No	Yes. If the hearing request is received after the First Notice Issue Date + 35 days, a Hearing Denied letter is automatically mailed
150	Do you want ATS Operations to schedule hearings over the phone?	Yes No	No
151	Do you want ATS Operations to re-schedule hearings over the phone if the violator is not happy with their hearing date?	Yes No	Yes – One time only
Administrative Reviews & Hearings			
✓ 152	Describe the process the city would like in place for Administrative Reviews & Hearings	<ul style="list-style-type: none"> Any correspondence that is sent with the signed coupon is scanned and linked into Axis by ATS Operations Scheduling a Review causes the Notice of Violation to be suspended Reviews are scheduled 10-12 days out to allow enough time for the City to process <u>The Review Process</u> <ul style="list-style-type: none"> The Hearing Officer will monitor reviews by printing the Hearing Schedule Report The Hearing Officer will review the documentation provided on-line If sufficient documentation is provided to warrant a dismissal, then the Hearing Officer will dismiss the Notice, causing a not liable NOD to be automatically mailed to the violator 	

#	Questions	Conditions	Answers
		<ul style="list-style-type: none"> If insufficient documentation is provided to warrant a dismissal, then the Hearing Officer will delete the Review and Schedule a Hearing When a Hearing is manually scheduled, an automated Scheduled Hearing letter is sent <p><u>The Hearing Process</u></p> <ul style="list-style-type: none"> Violators will attend Hearings, in person If sufficient information is provided to warrant a dismissal, then the Hearing Officer will find the violator not liable If insufficient information is provided to warrant a dismissal, then the Hearing Officer will find the violator liable; <p>The Liable or Not Liable NOD will be generated and handed to the violator. If the violator does not appear, the Hearing Officer will find the violator liable for failure to appear and the Liable NOD will be mailed to the violator by selecting the Save & Mail button.</p>	
Describe any special processes the city would like in place for these circumstances:			
153	Plate Number / State entered Incorrectly	ATS Operations may handle	Correct plate is entered. Dismissed letter is automatically sent to the violator.
154	Part of Funeral Procession	Letter from Funeral Home	Scan and link documents and schedule a Review
155	Ticket Issued by PD	Copy of police-issued paid ticket	Scan and link documents and schedule a Review
156	Stolen Vehicle or Plate	Police Report	Scan and link documents and schedule a Review
157	DMV Error	Copy of their vehicle registration	Scan and link documents and schedule a Review
158	Traffic Control Signal was not in proper position or not sufficiently legible		Scan and link documents and schedule a Review
159	Operator of vehicle was acting in compliance with the lawful order or direction of a police officer		Scan and link documents and schedule a Review
160	Operator of vehicle was yielding to an approaching emergency vehicle		Scan and link documents and schedule a Review
161	Vehicle was operating as an emergency vehicle		Scan and link documents and schedule a Review
162	Hazardous road conditions existed		Scan and link documents and schedule a Review
163	Vehicle was sold	Sold vehicle receipt	Scan and link documents and schedule a Review
✓ 164	Define the Review Setup ATS will <u>not</u> send scheduled Review	Location	Jersey Village Municipal Court 16327 Lakeview Drive Jersey Village, TX 77040

#	Questions	Conditions	Answers
		Days of Week	Mon - Fri
		Hours of Day	9am
		Time slot length	No max
		Max # per time slot	No max
		Reviewers names	Beth Nock Kelly Saucier Don R Byrnes
		Dispositions	Dismiss
		Fine Reduction?	No
		Court Costs Added?	No
		Can Court Costs Waived?	No
		Notices of Determination?	Dismissal Letter with Reason (selected from drop down list)
		Auto mailed option?	Yes
		Printed locally option?	No
		Define the NOD's	N/A. Only using dismissal letter
		Define any automated process the enter disposition	If the Hearing Officer Dismisses the violation, the Dismissal letter gets automatically mailed to the violator. If the Hearing Officer does not dismiss, they will schedule a Hearing and the Hearing Notification letter will automatically be mailed to the violator.
165	Define the Hearing Setup ATS will send scheduled Hearing notification letters	Location	Jersey Village Municipal Court 16327 Lakeview Drive Jersey Village, TX 77040
		Days of Week	Monday and Friday
		Hours of Day	8 AM to 5:00 PM
		Time slot length	1 hour
		Max # per time slot	4 per hour
		Reviewers names	Don R. Byrnes
		Dispositions	Liable Not Liable Continuance
		Fine Reduction?	No
		Court Costs Added?	Yes. \$25.00
		Can Court Costs Waived?	Yes, only if they are added
		Notices of Determination?	Yes

#	Questions	Conditions	Answers
166	Define the Appeal Setup ATS will <u>not</u> send scheduled Appeal notification letters	Auto mailed option?	Yes
		Printed locally option?	Yes
		How long do they have to pay?	31 days
		Define the NOD's	Liabe – NOD Not Liabe - NOD. Continuance - NOD
		Define any automated process the enter disposition	If the violator does not appear, the Hearing Officer will enter a disposition Liabe – Failure to Appear and select Save & Mail and the NOD will automatically get mailed to the violator.
		# of days to request an appeal	31
		Location	Jersey Village Municipal Court 16327 Lakeview Drive Jersey Village, TX 77040
		Days of Week	To be announced
		Hours of Day	Open
		Time slot length	Open
		Max # per time slot	Open
		Reviewers names	Martin Halick Gene Frohbieter
		Dispositions	Upheld Overturned
		Fine Reduction?	No
		Court Costs Added?	Yes
		Court Costs Waived?	Yes, if added
		Notices of Determination?	Upheld NOD Overturned NOD
		Auto mailed option?	Yes
		Printed locally option?	Yes
		How long do they have to pay?	15 days
		Define the NOD's	Upheld NOD Overturned NOD
		Define any automated process the enter disposition	If the violator does not appear, the Upheld disposition is entered and the Save & Mail button is selected and the NOD gets automatically mailed to the violator.

#	Questions	Conditions	Answers
Dismissal Function within Axis – outside of the Hearings & Reviews			
167	Should the dismissal function within Axis be enabled?	Yes No	Yes
168	Who enters a dismissal?		Hearing Officer / Judge / ATS – incorrect plates
169	Is it communicated to the court?		No
170	Does the Dismissal letter get sent to the violator?		Yes
Evidence Package & Reports			
171	The Evidence Package provides the ability to:		Print documents Download documents Download images & Video
172	What documents does the Evidence Package require?		Notice of Violation Camera Log Report Violation Data Report Correspondence
173	Who is responsible for printing or downloading the Evidence Package?		Court will use on-line documentation
174	What address is printed at the top of each Report?		16327 Lakeview Drive, Jersey Village, TX 77040
Data and Image Retention			
175	Number of days to retain images from rejected violations	15 days Other _____ days	15 days
176	Number of days to retain violation images that result in a Warning	90 days after the end of the Warning period	90 days
177	Number of days to retain violation images that result in a Notice		7 years after final disposition
178	Number of days to retain any paper documents mailed into ATS Operations from violators, that are electronically scanned into Axis and linked to the appropriate Notice.		30 days after scanning and linking
Monthly Invoice			
181	To whom is the invoice sent?	E-mail	Isabel Kato Finance Director ikato@ci.jersey-village.tx.us



June 26, 2009

VIA FEDERAL EXPRESS

Ms. Lorri Coody
City Secretary
City of Jersey Village, Texas
16501 Jersey Drive
Jersey Village, TX 77040

**RE: *First Amendment to the Agreement by and between The City of Jersey Village,
TX and American Traffic Solutions, Inc.***

Dear Ms. Coody:

Enclosed is an original, fully-executed version of the above-referenced Agreement signed by Adam Tuton, Chief Operating Officer on behalf of ATS.

As always, please let me know if you have any questions or how 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

Enclosure

**FIRST AMENDMENT
TO THE AGREEMENT
BY AND BETWEEN
THE CITY OF JERSEY VILLAGE
AND
AMERICAN TRAFFIC SOLUTIONS, INC.**

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This First Amendment ("First Amendment") to the "Agreement" between the CITY OF JERSEY VILLAGE, TEXAS, (the "CITY") and AMERICAN TRAFFIC SOLUTIONS, INC. ("ATS"), dated August 20, 2007, is made by and between the same parties on the date hereinafter last specified.

WITNESSETH:

WHEREAS, the CITY and ATS entered into an Red Light Camera Services Agreement on August 20, 2007 ("Agreement"); and

WHEREAS, the parties desire to extend the term of the Agreement for a fifteen-year period and amend other provisions;

NOW THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the parties hereby amend the Agreement as follows:

1. Definitions. Unless a different meaning clearly appears from the context, words and phrases as used in this First Amendment shall have the same meanings as in the Agreement.
2. Amendments.
 - a. Section 4. "Term and Termination," Subsection b. is hereby amended to read as follows:

The term of this Agreement shall be extended as of the signature date of this First Amendment for a period of fifteen (15) years, unless terminated in accordance with the provisions of this Agreement. ATS shall have the right to seek City approval to extend the term of this Agreement for successive renewal periods of five (5) years each subject to the discretion of the City Council. ATS must give notice to the City Manager of the desire to extend for any renewal period by providing written notice to City not less than 60 days prior to the last day of the initial term or the renewal term, as the case may be.
 - b. Section 4. "Terms and Termination," is amended to add a Subsection 4 c. iv., to read as follows:

The City shall have the right to terminate this Agreement upon 60 days prior written notice to ATS if the collections for the program are less than the fixed monthly fee due to ATS for three consecutive months after the 24th month of the Effective Date of this First Amendment, or for any three months out of any six month period. As compensation for a termination under this Subsection 4 c. iv., ATS will be entitled to keep any revenue collected under the program after the date of termination for Violations occurring prior to the date of termination. A termination under this Subsection 4 c. iv. shall proceed according to the terms of Section 4 (d) of this Agreement.

- c. Section 6, "Fees and Payments," is amended to add the following:

To be added to paragraph four of Section 6.

At the termination of the Agreement, whether by its expiration or otherwise, if the total collected revenue under the program during the Term is less than the fees due to ATS under the Agreement ATS will waive all accrued but unpaid fees, provided, however that . if the City terminates this Agreement under Section 4 c. iv. of this Agreement, ATS will be entitled to keep any revenue collected under the program after the date of termination for Violations occurring prior to the date of termination.

To be added at the end of Section 6.

Unit prices will be fixed until January 11, 2012 and thereafter on each anniversary date of the term, unit prices will increase by the CPI, according to the average change during the prior 12 months 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.

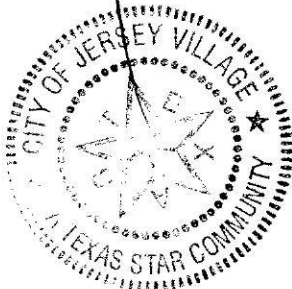
- d. Section 13, "Dispute Resolution," is amended to delete subsection (a).
3. Entire Agreement. The provisions of this First Amendment and the provisions of the Agreement should be read together and construed as one agreement provided that, in the event of any conflict or inconsistency between the provisions of this First Amendment and the provisions of the Agreement, the provisions of this First Amendment shall control. Nothing contained in this First Amendment shall be construed in any way to limit or to waive the City's sovereign immunity.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment in multiple copies, each of which shall be deemed to be an original, but all of which shall constitute but one and the same amendment, this 28th day of May, 2009.

ATTEST/SEAL

By: _____

City Secretary



CITY OF JERSEY VILLAGE, TEXAS

Signed by:

By: _____

Mike Castro, City Manager

AMERICAN TRAFFIC SOLUTIONS, INC.

By: _____

ADAM E. TUTON,
Executive Vice President

April 4, 2012

VIA Certified Mail Return Receipt Requested

City of Jersey Village
16501 Jersey Dr.
Jersey Village, Texas 77040
Attn: City Manager

RE: *Change of contact and address for notices sent to American Traffic Solutions, Inc.
pursuant to the Professional Services Agreement ("Agreement") with Jersey Village,
Texas*

This is notice, pursuant to the Notice provision of the Agreement that our address for receipt of notice has changed. Please direct any future official notices to the following address:

**American Traffic Solutions, Inc.
Office of the General Counsel
1330 West Southern Avenue
Tempe, AZ 85282
Attn: Contracts Division**

If you have any questions about this notice, please do not hesitate to contact Geni Tunstall, Associate General Counsel at 480.596.4652 or at geni.tunstall@atsol.com.

Sincerely,



James Tuton
Chief Executive Officer
American Traffic Solutions, Inc.