

**AMENDMENT NO. 2(a) TO THE EXCLUSIVE AGREEMENT BETWEEN THE CITY OF OAKLAND AND REDFLEX TRAFFIC SYSTEMS, INC. FOR PHOTO RED LIGHT ENFORCEMENT PROGRAM DATED (JULY 17, 2007) ("AGREEMENT").**

This Amendment No. 2(a) ("Amendment") to the EXCLUSIVE AGREEMENT BETWEEN THE CITY OF OAKLAND AND REDFLEX TRAFFIC SYSTEMS, INC. FOR PHOTO RED LIGHT ENFORCEMENT PROGRAM (August 31, 2007) ("Agreement") by and between the City of Oakland, a municipal corporation ("City" or "Customer" or "Municipality") and Redflex Traffic Systems ("Redflex" or "Contractor") (collectively "Parties") is entered into and made effective as of the date when fully executed below ["Effective Date"], amending the Agreement as is set forth below:

**RECITALS**

A. **WHEREAS**, on or about July 17, 2007, the Oakland City Council, in Resolution 80789, authorized the City Administrator to negotiate and enter into an agreement with Contractor; and

B. **WHEREAS**, on or about August 31, 2007, the Parties entered into the Agreement under which Redflex provides services and equipment which comprise the City's Red Light Camera Enforcement System ("RLCES"); and

B. **WHEREAS**, the Initial Term of the Agreement was thirty-seven (37) months from the Effective Date of September 23, 2008; and

C. **WHEREAS**, by Amendment No. 1 [dated August 24, 2011 and executed on September 23, 2011], the Parties amended the original Agreement to extend the time for performance of the contract work from September 25, 2011 to March 25, 2012, to update the Living Wage Adjustments to the then current rate and to add the Prompt Payment Ordinance, the Arizona and Arizona-Based Businesses provision and the Dispute Disclosure provision to the Agreement; and

D. **WHEREAS**, by Amendment No. 2 [dated March 15, 2012 and executed

March 23, 2012], the Parties amended the Agreement to extend the time for performance of the contract work from March 26, 2012 until September 30, 2012, to further update the Living Wage Adjustments to the then current rates and, again, added the Prompt Payment Ordinance, the Arizona and Arizona-Based Businesses provision and the Dispute Disclosure provision to the Agreement; and

E. **WHEREAS**, neither Amendment Nos. 1 or 2 exceed the Agreement Cap of \$4,320,000.00; and

F. **WHEREAS**, by this Amendment No. 2(a) the Parties now seek to further amend the Agreement and Amendments Nos. 1 and 2 as is set forth more fully below:

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, and for other valuable consideration received, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### **AMENDED TERMS AND CONDITIONS**

The Agreement, as amended by Amendments Nos. 1 and 2, is further amended as follows:

1. **Section 2 [“Term”]** Is hereby deleted in its entirety and replaced with:

The Term of the Agreement [“Term”] shall be month-to-month from its Effective Date and the Agreement shall terminate 30 days from the date the City Council hears and considers Amendment No. 3 in the event that the Council fails to approve Amendment No. 3. If the Council votes to extend the Agreement pursuant to Amendment No. 3, then the Term shall be dictated and shall run according to Amendment No. 3.

2. **Living Wage Adjustments:**

Effective July 1, 2012, the minimum compensation for Contractor's employees who perform services under or related to this Amendment is the hourly wage rate of eleven dollars and seventy cents (\$11.70) with health benefits or thirteen dollars and forty five cents (\$13.45) without health benefits.

**3. Prompt Payment Ordinance:**

This Amendment is subject to the Prompt Payment Ordinance of Oakland Municipal Code, Title 2, chapter 2.06 (Ordinance 12857 C.M.S., passed January 15, 2008), establishing a policy requiring payment within 20 business days after receipt of an invoice for purchase of goods and/or services.

**4. Arizona and Arizona-Based Businesses:**

Contractor agrees that in accordance with Resolution No. 82727 C.M.S., neither it nor any of its subsidiaries, affiliates or agents that will provide services under this Agreement is currently headquartered in the state of Arizona, and shall not establish an Arizona business headquarters for the duration of this Agreement with the City of Oakland or until Arizona rescinds SB 1070.

Contractor acknowledges its duty to notify the Office of the City Administrator, Contracts and Compliance Division if its Business Entity or any of its subsidiaries, affiliates or agents subsequently relocates its headquarters to the state of Arizona. Such relocation shall be a basis for termination of this Agreement.

Contractors are required to disclose pending disputes with the City of Oakland when they are involved in submitting bids, proposals or applications for a City or Agency contract or transaction involving professional services. This includes contract amendments. Contractor agrees to disclose, and has disclosed, any and all pending disputes to the City prior to the execution of this Amendment. The City will provide a


form for such disclosures upon Contractor's request. Failure to disclose pending disputes prior to execution of this Amendment shall be a basis for termination of this Agreement.

All other terms and conditions of the original Agreement, except for those modified by this Amendment No. 2(a), shall remain unchanged and in full force and effect. This Amendment may be executed in counterparts.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as set forth below.

The City:  
City of Oakland, a California Public Entity

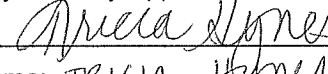
Redflex:  
REFLEX TRAFFIC SYSTEMS, INC.,  
A Delaware Corporation

By   
Name: Deanna J. Santana  
Title: City Administrator

By \_\_\_\_\_  
Name:  
Title:

By   
Department Head

City Attorney Approval as to Form;

By   
Name: TRICIA Hynes  
Title: Deputy City Attorney

**Resolution No. 80789**

Account No.: 200908851

Business Lic. No.: 3694038

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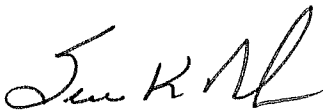
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The City:  
City of Oakland, a California Public Entity

Redflex:  
REDFLEX TRAFFIC SYSTEMS, INC.,  
A Delaware Corporation

By \_\_\_\_\_  
Name:  
Title:

By   
Name: *Sean K Nolen*  
Title: *CFO*

By \_\_\_\_\_  
Department Head

City Attorney Approval as to Form;  
By \_\_\_\_\_  
Name:  
Title:

**Resolution No. 80789**  
Account No.: 200908851  
Business Lic. No.: 3694038