



Red Light Camera Enforcement System

Jefferson County, Missouri

February 2, 2010

Submitted By:
Dan Reeb

Associate General Counsel for Business Development
Phone: 314.481.3080

Making Life Safer and Easier on The Road Ahead



COST PROPOSAL

The price proposal should be based on the implementation of at least 6 intersection approaches for a term of 5 years with the option to extend the contract for up to 2 five year terms. For comparative purposes, it should be based on the Scope of Services indicated below. Please submit one pricing proposal for a system that includes a photograph of the vehicle operator, and one proposal that does not include a photograph of the vehicle operator.

To provide the maximum flexibility to the County, please provide prices for the following pricing that will ensure County will only be required to pay vendor from revenues generated by the program:

1. Fee per paid citation
2. Flat monthly fee per intersection approach
3. Equipment purchase plus flat monthly fee per intersection approach

For pricing option 1, vendor shall indicate the maximum amount the County can be charged if a violation is rejected.

Vendor must demonstrate how pricing options 1 and 2 above will ensure County will only be required to pay vendor from revenues generated by the program.

REAR-ONLY CAMERA SYSTEM PRICING PROPOSAL

ATS proposes to furnish a turnkey intersection safety camera (red-light camera) program based on the following confidential and proprietary proposal. We offer a number of pricing options including:

1. Fee per paid citation.
2. Flat monthly fee per intersection approach
3. Equipment purchase plus flat monthly fee per intersection approach

ATS' price proposal to Jefferson County remains firm for a period of ninety (90) days following the proposal opening on February 2, 2010.

Both Options 1 and 2 guarantee the program will be cost neutral to the County.



Description of Pricing	
<p>Option 1 - Fee per Paid Citation (one camera / rear imaging)</p> <p>Includes intersection safety camera equipment, installation, maintenance, violation processing services, in-state and out-of-state DMV records access, mailing of 1st notice in color with return envelope, mailing of second notice-text only, web-payments access with user convenience fee, call center support for general program questions and public awareness program support. Up to 4 contiguous lanes. Includes Lockbox payment processing services.</p> <p>Description:</p> <p>Under Option 1, the monthly fee paid to ATS will never exceed the total amount collected by the County for the month. ATS will invoice the County based on the number of paid citations on average monthly across all camera units.</p> <p>For example, assuming one camera operational in the month of April and total paid citations were ninety-five (95). The ATS invoice would be calculated as follows:</p> <p>1 camera unit x 60 paid citations (30 days in April x 2 paid per day on average = 60 paid citations) x \$75 + 35 additional paid citations (95 paid for month – 60 paid at \$75 = 35 additional paid x \$15) = <u>\$5,025</u> fee paid to ATS.</p> <p>Under pricing option 1, the ATS fee is based on "paid" citations and therefore if the County were to reject a violation the County would not be charged for this violation as it cannot be a "paid" citation once it is rejected. Please note: this is a very important distinction as some vendor's pricing may appear low, but in the fine print the County may find that it is subject to being charged for rejected violations.</p> <p>Because the County will never be required to pay ATS more than the fine revenue collected, the program is guaranteed to be violator funded instead of taxpayer funded.</p>	<p>ATS to collect the first two paid notices per camera per day (based on \$75.00 fine) on average monthly across all operational units and then \$15.00 for each additional paid notice</p>



Description of Pricing	
Option 2 - Flat Fee per Month Per Approach (one camera / rear imaging) Includes intersection safety camera equipment, installation, maintenance, violation processing services, in-state and out-of-state DMV records access, mailing of 1st notice in color with return envelope, mailing of second notice-text only, web-payments access with user convenience fee, call center support for general program questions and public awareness program support. Up to 4 contiguous lanes. Includes Lockbox payment processing services. Description: Under Option 2, the actual monthly fee paid to ATS will never exceed the total amount collected by the County for the month. ATS will invoice the County \$4,750 each month; however, if the fine revenue for a particular month fell short of the ATS invoice, the deficit will carry-over to subsequent months for payment when fine revenue exceeds the monthly invoice amount. Any deficit existing at the end of the contract term would be absorbed by ATS. Because the County will never be required to pay ATS more than the fine revenue collected, the program is guaranteed to be violator funded instead of taxpayer funded.	\$4,750



Red Light Camera Enforcement System

Description of Pricing	
Option 3 - Equipment Purchase Plus Flat Monthly Fee Per Approach (one camera / rear imaging) Includes intersection safety camera equipment, installation, maintenance, violation processing services, in-state and out-of-state DMV records access, mailing of 1st notice in color with return envelope, mailing of second notice-text only, web-payments access with user convenience fee, call center support for general program questions and public awareness program support. Up to 4 contiguous lanes. Includes Lockbox payment processing services. Description: Under Option 3, the County's actual monthly fee paid to ATS will never exceed the total amount collected by the County for the month. ATS will invoice the County \$4,750 each month, however if the fine revenue for a particular month fell short of the ATS invoice, the deficit will carry-over to subsequent months for payment when fine revenue exceeds the monthly invoice amount. Any deficit existing at the end of the contract term would be absorbed by ATS. Because the County will never be required to pay ATS more than the fine revenue collected, the program is guaranteed to be violator funded instead of taxpayer funded. *Option 3 could be structured as a "municipal lease" (County would need to qualify for lease) which would have added benefits of low monthly equipment/installation fee of approximately \$2,000/mo per camera system plus \$2,750 violation processing fee. County would own the equipment at the end of the lease.	\$100,000 one-time payment per camera system plus \$2,750 per month for violation processing
Optional Service applicable to all offerings noted above	
Pre-Collection Letter and Skip Tracing Services (% of collected revenue after second notice as a result of pre-collection services)	10% of recovered revenue in addition to normal fee
Delinquent Collections Services (% of collections after second notice as a result of collections processing)	30% of recovered revenue in addition to normal fee



FRONT AND REAR CAMERA PRICING PROPOSAL

ATS proposes to furnish a turnkey intersection safety camera (red-light camera) program based on the following confidential and proprietary proposal. We offer a number of pricing options including:

1. Fee per paid citation.
2. Flat monthly fee per intersection approach
3. Equipment purchase plus flat monthly fee per intersection approach

ATS' price proposal to Jefferson County remains firm for a period of ninety (90) days following the proposal opening on February 2, 2010.

Both Options 1 and 2 guarantee the program will be cost neutral to the County.

Description of Pricing	
<p>Option 1 - Fee per Paid Citation (two cameras / front and rear imaging) Includes intersection safety camera equipment, installation, maintenance, violation processing services, in-state and out-of-state DMV records access, mailing of 1st notice in color with return envelope, mailing of second notice-text only, web-payments access with user convenience fee, call center support for general program questions and public awareness program support. Up to 4 contiguous lanes. Includes Lockbox payment processing services.</p> <p>Fee subject to CPI-U increase at renewal.</p> <p>Description:</p> <p>Under Option 1, the monthly fee paid to ATS will never exceed the total amount collected by the County for the month. ATS will invoice the County based on the number of paid citations on average monthly across all camera units.</p> <p>For example, assuming one camera operational in the month of April and total paid citations were ninety-five (95). The ATS invoice would be calculated as follows:</p> <p>1 camera unit x 60 paid citations (30 days in April x 2 paid per day on average = 60 paid citations) x \$85 (fine amount) + 35 additional paid citations (95 paid for month – 60 paid at \$85 = 35 additional paid) = <u>\$5,800</u> fee paid to ATS.</p> <p>Under pricing option 1, the ATS fee is based on "paid" citations and therefore if the County were to reject a violation the County would not be charged for this violation as it cannot be a "paid" citation once it is rejected.</p> <p>Please note: this is a very important distinction as some vendor's pricing may appear low, but in the fine print the County may find that it is subject to being charged for rejected violations.</p> <p>Because the County will never be required to pay ATS more than the fine revenue collected, the program is guaranteed to be violator funded instead of taxpayer funded.</p>	<p>ATS to collect the first two paid notices per camera per day (based on \$85.00 fine) on average monthly across all operational units and then \$20.00 for each additional paid notice</p>



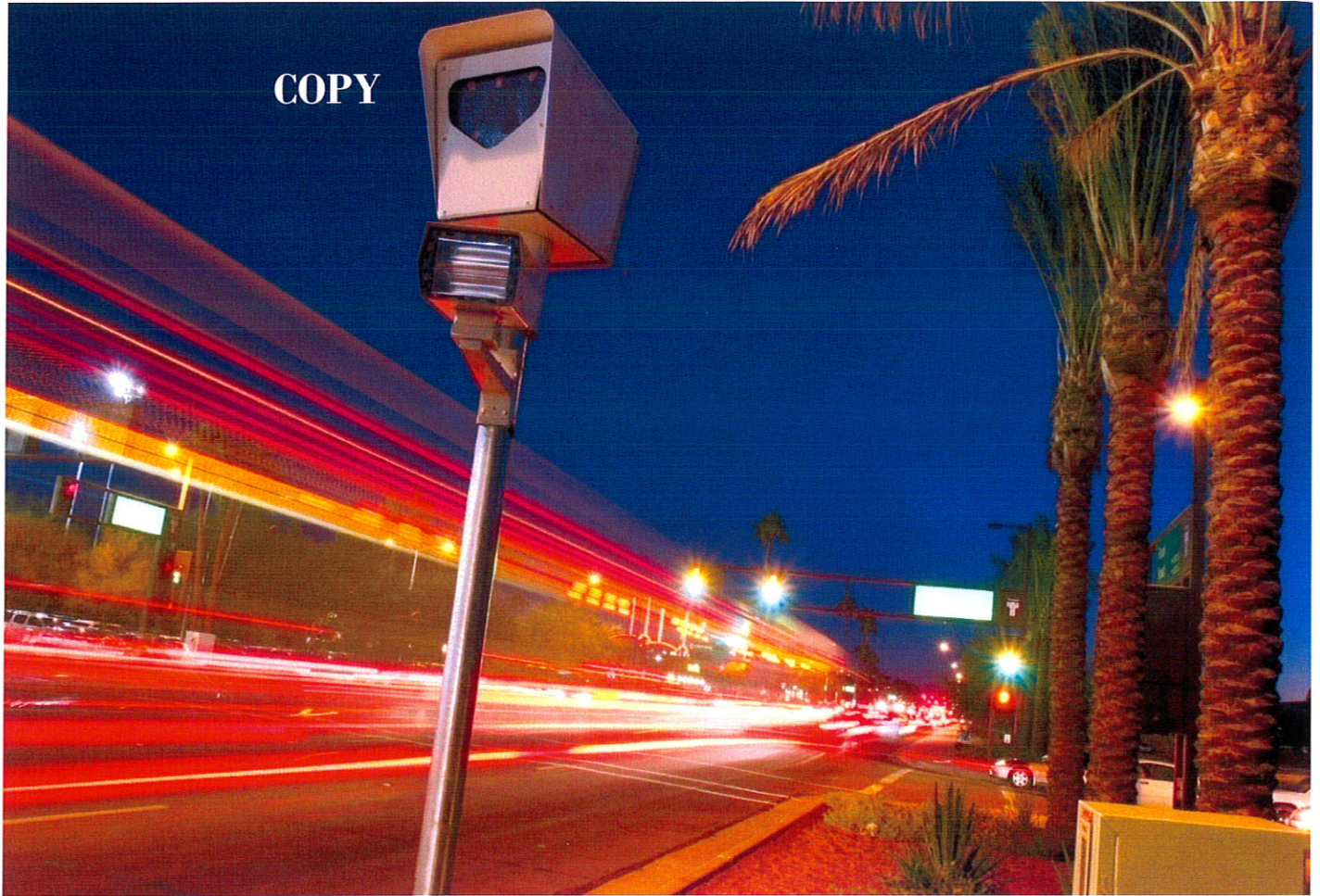
Description of Pricing	
<p>Option 2 - Flat Fee per Month Per Approach (two cameras / front and rear imaging)</p> <p>Includes intersection safety camera equipment, installation, maintenance, violation processing services, in-state and out-of-state DMV records access, mailing of 1st notice in color with return envelope, mailing of second notice-text only, web-payments access with user convenience fee, call center support for general program questions and public awareness program support. Up to 4 contiguous lanes. Includes Lockbox payment processing services.</p> <p>Fee subject to CPI-U increase at renewal.</p> <p>Description:</p> <p>Under Option 2, the actual monthly fee paid to ATS will never exceed the total amount collected by the County for the month. ATS will invoice the County \$5,395 each month; however, if the fine revenue for a particular month fell short of the ATS invoice, the deficit will carry-over to subsequent months for payment when fine revenue exceeds the monthly invoice amount. Any deficit existing at the end of the contract term would be absorbed by ATS.</p> <p>Because the County will never be required to pay ATS more than the fine revenue collected, the program is guaranteed to be violator funded instead of taxpayer funded.</p>	<p>\$5,395</p>
<p>Option 3 - Equipment Purchase Plus Flat Monthly Fee Per Approach (two cameras / front and rear imaging)</p> <p>Includes intersection safety camera equipment, installation, maintenance, violation processing services, in-state and out-of-state DMV records access, mailing of 1st notice in color with return envelope, mailing of second notice-text only, web-payments access with user convenience fee, call center support for general program questions and public awareness program support. Up to 4 contiguous lanes. Includes Lockbox payment processing services.</p> <p>Violation processing fee subject to annual CPI-U increase at the commencement of year 3.</p> <p>*Option 3 could be structured as a "municipal lease" (County would need to qualify for lease) which would have added benefits of low monthly equipment/installation fee of approximately \$2,500/mo per camera system plus \$3,250 violation processing fee. County would own the equipment at the end of the lease.</p>	<p>\$150,000 one-time payment per camera system plus \$3,250 per month for violation processing</p>



Red Light Camera Enforcement System

Description of Pricing	
Optional Service applicable to all offerings noted above	
Pre-Collection Letter and Skip Tracing Services (% of collected revenue after second notice as a result of pre-collection services)	10% of recovered revenue in addition to normal fee
Delinquent Collections Services (% of collections after second notice as a result of collections processing)	30% of recovered revenue in addition to normal fee

COPY




Proposal
Red Light Violation Camera Enforcement System

Jefferson County, Missouri



Submitted
February 2, 2010

	Corporate Office	RFP Contact
 www.redflex.com	23751 N. 23 rd Ave. Phoenix, AZ 85085 (623) 207-2000 (O) (623) 207-2050 (F)	Don Nelson Regional Sales Manager (636) 541 - 9565 (C) (636) 379 - 2200 (F) dnelson@redflex.com



7. Price Proposal

The Redflex Program offers:

- The **absolute highest levels of violation identification, capture, prosecution and conviction rates**, in the **magnitude of 99%+**
- Demonstrated significant reductions in crashes and violations. We stand by our own statistics, many vendors actually reference benefits achieved by Redflex programs in their proposals.
- The **highest level of economic viability and prosperity**.
- The highest citation issuance rate means greater public safety and exponentially greater revenue.

Most vendors provide theoretical projections that have little basis in reality and usually support programs with less than 50% citation issuance. These vendors will utilize various accounting tricks and gimmicks to bolster results that can only truly be substantiated by Redflex.

Our systems have proven year-after-year to (1) **identify and capture the most violations**, (2) **produce the strongest and clearest evidence**, (3) substantially modify **driver behavior** and (4) provide the most comprehensive customer support services.

Our battle-tested design, configuration and deployment methodologies have proven to beat the competition in all performance categories.

Redflex Pricing *

Cost Neutrality Guarantee Assurance: Redflex contractual guarantees the program to remain **cost neutral for the lifetime of the contract**. This will be determined by a monthly reconciliation of the revenue from citations and the monthly program fees. Should citation revenue fall short of the cost of the fees, **Redflex will absorb the difference in cost**. All pricing option described below will assume the following is included with our full turnkey program offering:

- 1) Printing and mailing of citations if allowable by law (including secondary follow up citations for those offenders that do not respond to the initial mailing).
- 2) Posting of infraction video on the internet for violators to review.
- 3) Ability for offenders to pay for their violation on line via debit or credit card, by phone and by US mail.
- 4) Expert witness testimony (at no charge to the County for the first 6 months of program Operation).
- 5) Unlimited training of police or sworn officers that would be reviewing the evidence packages.
- 6) All construction and installation costs inclusive of engineering and contractor services.



- 7) Collections of none delinquent debt.
- 8) Collections of delinquent debt (the vendor should be responsible for engaging with collections firm to secure payments of delinquent violators). There may be a premium for such a collection service of 28%-30% of the collected funds.
- 9) Redflex operated and supported bilingual 800 toll free help line for violators.
- 10) 24/7 live video feed and recording for up to 30 days of monitored intersection approaches.
- 11) Lock Box service.
- 12) Website development assistance
- 13) Comprehensive media campaign.
- 14) Reports of citation issued, prosecutable image rate by location

Pricing is inclusive of:

- A) All permit fees
- B) Royalties
- C) All applicable taxes and license fees
- D) Delivery and construction costs

Redflex is pleased to offer the County with the most flexible and comprehensive compensation structure options the industry has to offer.

The price proposal is based on the installation and operation of at least 6 intersection approaches for an initial term of 5 (five) years with the option to renew the contract for up to 2 five year terms. To provide the maximum flexibility to the County, Redflex has provided the following pricing options:

1. Flat Fee per citation paid
2. Flat monthly fee per intersection approach
3. Equipment purchase plus flat monthly fee per intersection approach



Front and Rear Options:

Option 1. Flat Fee Per Paid Citation:

Redflex is pleased to offer the County with a financial model that requires **zero out of pocket expense** and **zero financial commitment** to each automated enforcement system. Redflex is proposing a fee for service associated with the number of paid citations. Additionally, Redflex is proposing that the more tickets that are paid, **the less money we collect!** The following per paid citation model is as follows:

Tier	Citations Paid (Average per System/Approach per Month)s	Per Paid Citation
Tier 3	201 + citations paid per month	\$28.50
Tier 2	151 - 200 citations paid per month	\$38.50
Tier 1	1- 150 citations paid per month	\$48.50

Option 2. Flat Monthly Fee per Intersection Approach:

Approach per Month	Fee
Flat Monthly Fee	\$5,400

Option 3. Equipment Purchase Plus Flat Monthly Fee per Intersection Approach

Lane	Purchase Price
1 – 4 lanes	\$55,050
5 + lanes	\$73,800

Redflex labor, installation and project management: \$15,000

Construction cost is independently invoiced to the County, based on subcontractor and specifications and configurations of system. As a reference, construction cost for the State of Missouri have averaged \$26,000 dependent on the intersection.

Flat fee: \$2,150 for increments of 75 notices printed.



Rear Only Options(ONLY APPLICABLE UPON PASSAGE OF ENABLING STATE LEGISTATION):

Option 1. Flat Fee Per Paid Citation:

Redflex is pleased to offer the County with a financial model that requires **zero out of pocket expense** and **zero financial commitment** to each automated enforcement system. Redflex is proposing a fee for service associated with the number of paid citations. Additionally, Redflex is proposing that the more tickets that are paid, **the less money we collect!** The following per paid citation model is as follows:

Tier	Citations Paid (Average per System/Approach per Month)s	Per Paid Citation
Tier 3	201 + citations paid per month	\$20.00
Tier 2	151 - 200 citations paid per month	\$30.00
Tier 1	1- 150 citations paid per month	\$40.00

Option 2. Flat Monthly Fee per Intersection Approach:

Approach per Month	Fee
Flat Monthly Fee	\$4,500

Option 3. Equipment Purchase Plus Flat Monthly Fee per Intersection Approach

Lane	Purchase Price
1 – 4 lanes	\$36,350
5 + lanes	\$55,050

Redflex labor, installation and project management: \$15,000

Construction cost is independently invoiced to the County, based on subcontractor and specifications and configurations of system. As a reference, construction cost for the State of Missouri have averaged \$26,000 dependent on the intersection.

Flat fee: \$3,150 for increments of 150 notices printed.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		OP ID SA REDFL-1	DATE (MM/DD/YYYY) 01/27/10
PRODUCER California Insurance Center IG & Co Ins. Brokers of CA 197 Mt. Diablo Blvd., #300 Lafayette CA 94549 Phone: 925-299-1112 Fax: 925-299-0328		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW	
INSURED <div style="text-align: center;"> Redflex Traffic Systems, Inc. 23751 N. 23rd Avenue Ste 150 Phoenix AZ 85085-1854 </div>		INSURERS AFFORDING COVERAGE	NAIC #
		INSURER A: National Fire Ins of Hartford	
		INSURER B: Continental Insurance Co.	35289
		INSURER C: Transportation Insurance Co.	20494
		INSURER D: The Standard Fire Ins. Co.	19070
		INSURER E: Endurance American Specialty	

COVERAGES THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR	ADD'L	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	GENERAL LIABILITY	2088537791	03/15/09	03/15/10	EACH OCCURRENCE \$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR A.M.Best: A XV <input checked="" type="checkbox"/> Per location agg GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				ISO FORM CG0001 PRODUCTS - COMP/OP AGG \$ 2,000,000 GENERAL AGGREGATE \$ 2,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 EMP BEN. 1,000,000
C		AUTOMOBILE LIABILITY	2088537757	03/15/09	03/15/10	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
		<input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS A.M.Best: A XV				BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
B		EXCESS/UMBRELLA LIABILITY	2097617177	03/15/09	03/15/10	EACH OCCURRENCE \$ 19,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000				AGGREGATE \$ 19,000,000 AMBEST: \$ AXV \$ \$
D		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	PCUB2692N16309	03/15/09	03/15/10	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				
E		Errors & Omissions Cyberliability	PPL10001275600 A.M. BEST: A XV	03/15/09	03/15/10	E&O 2,000,000 Retention 35,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS Per G-140331-A, Jefferson County, Missouri is named as additional insured as respects general liability. Re: Red Light Camera Enforcement System						

CERTIFICATE HOLDER <div style="text-align: center;"> JEFFECO Jefferson County, Missouri Attn: County Clerk P.O. Box 100 Hillsboro MO 63050 </div>	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
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