

**AMENDMENT NO. 1 TO THE CITY OF PALM COAST
SERVICES TWO PHASE AGREEMENT WITH
AMERICAN TRAFFIC SOLUTIONS, INC.**

This Amendment No. 1 (the "Amendment") is to the City of Palm Coast Services Two Phase Agreement with America Traffic Solutions, Inc., regarding Request for Proposals (RFP) CM-07-02, pertaining to Red Light Running Camera Enforcement System (the "Agreement"), executed on the 3rd day of December, 2007, by and between the **City of Palm Coast, Florida**, a municipal corporation (hereinafter "City") and **American Traffic Solutions, Inc.** (hereinafter "Contractor").

RECITALS

WHEREAS, on December 19, 2006, the City adopted Ordinance No. 2006-24, codified in Chapter 44, Article V, of the City's Code of Ordinances, which provides for the enforcement of red light violations using traffic infraction detectors (the "Ordinance"); and

WHEREAS, on or about November 6, 2007, the City and Contractor entered into the Agreement, whereby the City and Contractor agreed to the provision by Contractor of services to the City in connection with the enforcement of the Ordinance; and

WHEREAS, the Agreement between City and Contractor expired on November 6, 2010 and provided for an additional five year renewal option; and

WHEREAS, on or about May 13, 2010, the Governor of the State of Florida signed CS/CS/HB325 into law, resulting in the Law of Florida 2010-80 taking effect on July 1, 2010; and

WHEREAS, Laws of Florida 2010-80 expressly authorizes municipalities to use traffic infraction detectors to enforce certain provisions of Chapter 316 of the Florida Statutes, subject to certain requirements; and

WHEREAS, the City amended Ordinance 2006-24 by Ordinance 2010-09 to provide for the enforcement of red light violations using traffic infraction detectors in accord with the provisions of Law of Florida 2010-80; and

WHEREAS, the City and Contractor wish to amend and modify the Agreement to align the provision of services by Contractor with the provisions and requirements of Law of Florida 2010-80.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Contractor and City agree that the Agreement shall be and hereby is amended and modified on the terms provided herein.

1. **Recitals.** The preceding recitals are true and correct and are incorporated into this Amendment by reference.

2. **Definitions.** Except as otherwise specified herein, all capitalized terms used in this Amendment shall have the meanings given to them in the Agreement. Section 1 of the Agreement is amended as follows:

The following definitions are added:

“Net Revenue” means all revenues paid by violators for Uniform Traffic Citations and Notices of Violation captured and/or processed pursuant to this Agreement, less statutory amounts paid to the State of Florida pursuant to Fla. Stat. § 316.0083(1)(b)2.

“Notice of Violation” means a written notice of a Violation or equivalent instrument issued by or on behalf of City relating to a Violation documented or evidenced by a Camera System.

“Recorded Image” means an image digitally recorded by a Traffic Infraction Detector (defined below).

“Traffic Infraction Detector” or ‘camera system’ means a vehicle sensor(s) installed to work in conjunction with a traffic control signal and a camera or cameras synchronized to automatically record two or more sequenced photographic or electronic images or streaming video of only the rear of a motor vehicle at the time the vehicle fails to stop behind the stop bar or clearly marked stop line when facing a traffic control signal steady red light.

“Traffic Infraction Enforcement Officer” means an employee of the City who meets the qualifications of Section 316.640(5)(a) of the Florida Statutes, as may be amended or recodified from time to time.

“Uniform Traffic Citation” means a uniform traffic citation as described in Section 316.650 of the Florida Statutes, as may be amended or recodified from time to time.

“Violation” means a violation of Section 316.074(1) or 316.075(1)(c)(1) of the Florida Statutes, as may be amended or recodified from time to time.

3. **Extent of Agreement/Integration/Amendment.** Section 3(d) is amended to reflect that all of the exhibits made part of the Agreement have been revised.

4. **Length of the Agreement.** Section 11 of the Agreement is deleted and replaced as follows:

- (a) The term of the Agreement, as revised by this Amendment shall be deemed to have commenced on, and to be retroactively in effect as of, July 1, 2010 (“Term”). This Agreement shall expire on September 30, 2015. In the event that CONTRACTOR installs any Camera Systems after the execution of this Amendment, the term shall be extended by two (2) years and shall expire on September 30, 2019.

(b) All provisions of this Agreement which contain continuing obligations shall survive the expiration or termination of this Agreement.

5. Contractor's Responsibilities. The heading of Section 13 of the Agreement is replaced with "Contractor's Rights and Responsibilities." and the following new paragraphs are added:

(f) Contractor's rights and remedies provided under this Agreement are in addition to any other rights and remedies provided by law; the Contractor may assert its right of recovery by any appropriate means, including but not limited to set-off, suit, withholding, recoupment or counterclaim, either during or after the performance of this Agreement.

(g) The failure of Contractor to insist in any instance upon the strict performance of any provision of the Agreement or to exercise any right or privilege granted hereunder shall not constitute or be construed as a waiver of any such provision or right and the same shall continue in force.

6. City's Rights and Responsibilities. Section 14 of the Agreement is amended and supplemented with the following:

(o) The City is required to timely process all valid Violations in accordance with the Business Rules adopted by the City as of _____ [DATE].

7. Notices. In Section 18 of the Agreement, delete the contact information listed for City and Contractor and replace with:

City of Palm Coast
160 Cypress Point Parkway Ste. B106
Palm Coast, Florida 32137

Mr. Michael Bolton
American Traffic Solutions, Inc.
1330 West Southern Avenue
Tempe, Arizona 85282

8. Designated Representatives. Section 19(c) of the Agreement is amended to read as follows:

(c) Until further written notice, the City's designated representative for this Agreement is:

City Manager
City of Palm Coast
160 Cypress Point Pkwy, Ste. B-106
Palm Coast, Florida 32164
Telephone Number: (386) 986-3700

With a copy to:
Purchasing Manager
City of Palm Coast
160 Cypress Point Pkwy, Ste. B-106
Palm Coast, Florida 32164

9. Compensation. Section 20 paragraphs (a) and (b) are deleted and replaced with the following new text and (c) (d) and (e) are re-lettered (b) (c) and (d) respectively:

a. City shall pay fees based on the fee schedule as attached hereto in Exhibit B.

10. Invoice Process. Section 21 is deleted in its entirety and replaced with the following:

Section 21: Invoice Process

At the close of the calendar month, the Contractor shall supply the City a report to include a detailed listing of all payments received during the previous month, separated into Group A and Group B Revenues. By no later than the 15th day of each month, the Contractor will remit to the City all amounts due per this Agreement for the previous month.

The City will notify the Contractor of disputed items within fifteen (15) days of receipt of the monthly report, along with an explanation of the report's deficiencies.

The City and the Contractor will make every effort to resolve all disputed items contained in the Contractor's report.

The *Florida Prompt Payment Act* shall apply.
All correspondence shall be forwarded to:

Finance Director
City of Palm Coast
160 Cypress Point Pkwy, Suite B-106
Palm Coast, FL 32164

11. Termination of Agreement. Section 22(a) of the Agreement is amended and supplemented with the following:

22(a)(6) The Contractor otherwise violates the terms and conditions of this Agreement; "or"

22(a)(7) For legal reasons, by either party, in the event that state legislation or a decision by a court of competent jurisdiction against a party prohibits the enforcement of Violations using image-capture technology. In any termination for legal reasons, Contractor shall be able to recover an amount of revenue collected from the program sufficient to cover Contractor's costs in excess of fees paid to date, but the City shall in no event be responsible for the payment of any of Contractor's fees or costs in excess of net program revenue; or

22(a)(8) If the Contractor fails to pay the City in accordance with this Agreement.

12. Termination without Cause. Section 24 of the Agreement is deleted in its entirety.

13. Effect of Termination. The heading of Section 25 “Payment in the Event of Termination” is deleted and replaced with Section 25 “Effect of Termination.” Section 25 is further modified as follows:

Delete the existing text of Section 25 and replace with the following new text:

Upon termination of this Agreement, either for cause (except for termination by Contractor for non-payment) or because the Agreement has reached the end of its term, the Parties recognize that the City will have to process Violations in the “pipeline”, and that Contractor accordingly must assist the City in this regard. Accordingly, the Parties shall take the following actions and shall have the following obligations, which survive termination during the wind-down period:

(i) The City shall cease using the Axis System to capture Violations.

(ii) Unless it is unlawful to do so, Contractor shall, for a period of ninety (90) days, 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 receive its monthly fees in accordance with Exhibit B of this Agreement.

(iii) The City shall return or allow Contractor to recover all provided equipment within a reasonable time not to exceed ninety (90) days.

(iv) If Contractor recovers the provided equipment, Contractor shall remove any and all equipment or other materials, including but not limited to housings, poles and Camera Systems, Contractor installed in connection with Contractor’s performance of its obligations under this Agreement, at no cost to the City. Contractor shall restore the surface of City’s property to substantially the same condition as such property was in immediately prior to this Agreement, except for foundation removal, which shall be left approximately flush with grade with no exposed bolts, or other hazards. Installed underground conduit and other equipment shall not be required to be removed.

In the event of termination by Contractor for non-payment of Service Fees by City, Contractor shall cease processing violations as of the date of termination stated in Contractor’s notice to City.

14. Action following Termination. Section 26 Paragraphs (a) and (b) are deleted and replaced with a new paragraph: “Both parties recognize their respective obligations to mitigate any damages in the event of termination pursuant to this Agreement.”

15. Insurance. Section 32 of the Agreement is amended and supplemented with the following:

32(a)(1)Workers Compensation/Employer Liability: The Contractor shall provide workers compensation insurance for all employees engaged in the work under this Agreement in

6/21/2012

accordance with the laws of the State of Florida. Employers' liability insurance shall be provided by the Contractor at limits not less than the following:

- \$500,000.00 Each Accident
- \$500,000.00 Disease Each Employee
- \$500,000.00 Disease Aggregate

16. Effect of Amendment on Agreement. Except as expressly amended or modified by the terms of this Amendment, all terms of the Agreement shall remain in full force and effect. In the event of a conflict between the terms of this Amendment, the Agreement, and any other contract documents, the terms of this Amendment shall prevail and control.

17. Entire Agreement. The provisions of this Amendment, including the recitals, comprise all of the terms, conditions, agreements, and representations of the parties with respect to the subject matter hereof. All representations and promises made by any party to another, whether in writing or orally, concerning the subject matter of this Amendment are merged into this Amendment. Except as amended by this Amendment, the terms of the Agreement shall continue in full force and effect.

18. Counterpart Execution. This Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument. Each party represents and warrants that the representative signing this Amendment on its behalf has all right and authority to bind and commit that party to the terms and conditions of this Amendment.

IN WITNESS OF THE FOREGOING, the parties have set their hands and seals the day and year first written above.

ATTEST:

AMERICAN TRAFFIC SOLUTIONS, LLC.

Authorized Corporate Officer

By: _____
Authorized Corporate Officer

(print name)

(print name)

6/21/2012

ATTEST:

CITY OF PALM COAST

Virginia A. Smith, Clerk

By: _____
Jim Landon, Manager

Approved as to form and legality

William E. Reischmann, Jr., City Attorney

Attachments: Exhibit A Scope of Services
Exhibit B Pricing and Rate Schedule

DRAFT

EXHIBIT A SCOPE OF SERVICES

Exhibit A is hereby replaced with the following:

SCOPE OF SERVICES

I. CONTRACTOR SCOPE OF WORK-

1. CONTRACTOR IMPLEMENTATION

a. Contractor agrees to provide a camera system in accordance with State Statutes, as may be amended from time to time, to City wherein all reasonably necessary elements required to implement and operate the solution are the responsibility of Contractor, except for those items identified in Section II of this Exhibit titled "City Scope of Work". Contractor shall provide to the City access to the Axis™ VPS System, which provides the City with the ability to run and print any and all standard system reports. Contractor and 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, City shall not charge Contractor for the cost. All other in-scope work, external to City, is the responsibility of Contractor.

b. Contractor will evaluate candidate sites for additional future camera locations. City hereby authorizes Contractor to install Camera Systems at all intersections that Contractor, based on this evaluation and in its sole discretion, deems suitable for the installation of Camera Systems ("Designated Approaches"). Execution of this Agreement shall serve as written Notice to Proceed by City for the installation of Camera Systems for all such Designated Intersections, subject to any necessary permitting. Contractor shall make its best efforts to install a Camera System within thirty (30) days of permits being granted and power delivered for each Designated Approach, providing that City has received permission for all implementations in writing from any third-party sources.

c. Contractor will install Camera Systems at a number of intersections or grade crossing approaches to be agreed upon between Contractor and City after completion of site analyses. In addition to any initial locations, the parties may agree from time to time to add to the quantities and locations where Camera Systems are installed and maintained. City may not require Contractor to relocate any Camera Systems. Should Contractor in its sole discretion, determine that a Camera System needs to be moved to a new approach, Contractor shall pay the costs to relocate the Camera system. Should it be determined new cameras are to

be added, Contractor shall pay the cost of the cameras, installation, and maintenance of such additions. Should City insist on specific location all costs for that location(s) shall be borne by the City. The City may require that a camera or cameras be removed. Upon written request by the City, the Contractor shall remove the camera or cameras, at Contractor's expense, within 30 days. The City is not responsible for additional operational costs.

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

e. Contractor's in-house marketing department will assist City with public information and outreach campaign strategies. In addition, depending upon the agreed-upon strategy, the parties shall negotiate regarding any extra scope expenditures for public relations consultants, advertising, or media relations.

f. Contractor agrees to provide a secure web site (www.violationinfo.com) accessible to Owners who have received Notices of Violation or Uniform Traffic Citations by means of a Notice # and PIN, which will allow violation image and video viewing.

g. Contractor normally shall provide technician site visits to each Camera System once per quarter or as needed to perform preventive maintenance checks consisting of camera enclosure lens cleaning; camera, strobe and controller enclosure cleaning; inspection of exposed wires; and general system inspections and maintenance.

h. Contractor shall repair a non-functional Camera System within seventy-two (72) business hours of determination of a malfunction.

i. Contractor shall repair the Axis VPS System within one (1) business day from the time of the outage. Outages of City internet connections or infrastructure are excluded from this service level.

j. For any City using Contractor lockbox or epayment services, Contractor 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 City will be deposited in this account and the State portion of violations collected will be transferred by wire the first business day of each week to City's primary deposit account. The City's portion of violation revenue will be transferred on a monthly basis pursuant to Section 21 of this Agreement. 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 City, to ensure City's financial interest in said U.S. Bank account is preserved.

2. CONTRACTOR OPERATIONS

- a. Contractor shall provide City with an automated web-based citation processing system (Axis VPS) including image processing, color printing and mailing of a Notice of Violation per chargeable event. Each Notice of Violation shall be delivered by first class mail to the Owner within the statutory period. Mailings to Owners responding to Notices of Violation identifying drivers in affidavits or non-liability or by rental car companies.
- b. Contractor shall act as City's agent for the limited purpose of making an initial determination of whether Recorded Images should be forwarded to the Traffic Infraction Enforcement Officer to determine whether a Violation has occurred and shall not forward for processing those Recorded Images that clearly fail to establish the occurrence of a Violation.
- c. Upon expiration of the due date of the Notice of Violation, Axis VPS shall issue a Uniform Traffic Citation, which shall be delivered by certified mail to the Owner within the statutory period. The issuance of the Uniform Traffic Citation shall be based on the Traffic Infraction Enforcement Officer's approval, as provided in Section 3 City's Operations of this Exhibit A, of the Notice of Violation.
- d. Contractor shall make available a form of affidavit, approved by City, to be used by an Owner who wishes to establish the existence of an exemption to a Notice of Violation or Uniform Traffic Citation as provided in Section 316.0083(1)(d)1 of the Florida Statutes, as may be amended or recodified from time to time.
- e. Axis VPS shall apply an electronic signature to a Notice of Violation or Uniform Traffic Citation, when authorized to do so by an approving Traffic Infraction Enforcement Officer.
- f. Contractor shall obtain in-state vehicle registration information necessary to issue citations assuming that it is named as City's agent for these purposes.
- g. Contractor shall seek records from out-of-state vehicle registration databases and apply records found to issue Notices of Violation and Uniform Traffic Citations for City according to each pricing option.
- h. If City is unable to or does not desire to integrate Contractor data into its adjudication system, Contractor shall provide an on-line adjudication processing module, which will enable the adjudication function to review cases, related images correspondence and other related information required to adjudicate the

disputed Uniform Traffic Citation. The system will also enable the adjudication staff to accept and account for payments.

- i. Contractor shall provide to the City access to the Axis VPS™ System, which provides the City with the ability to run and print standard system reports.
- j. If required by the City, Contractor shall provide the City with, and train a local expert witness able to testify in administrative proceedings and in court on matters relating to the accuracy, technical operations, and effectiveness of the Axis™ System until judicial notice is taken.
- k. In those instances where damage to a Camera System or sensors is caused by negligence on the part of City or its authorized agent(s), Contractor will provide City an estimate of the cost of repair. Upon authorization to proceed with the repairs or replacement, Contractor shall replace or repair any damaged equipment and invoice City for the pre-approved repair cost. Contractor shall bear the cost to replace or repair equipment damaged in all other circumstances.
- l. Contractor shall provide a help line to help City resolve any problems encountered regarding its Red Light Camera System and/or citation processing. The help line shall function during normal business hours.
- m. As part of its system, Contractor shall provide Owners with the ability to view Recorded Images of Violations involving their motor vehicles online. This online viewing system shall include a link to the Contractor payment website(s) and may offer the opportunity to download a form affidavit to establish an exemption under Section 316.0083(1)(d) of the Florida Statutes, as may be amended or recodified from time to time. Online-obtained affidavits submitted in response to a Notice of Violation or Uniform Traffic Citations shall be directed to and processed by CONTRACTOR and communicated to City via the Axis VPS transfer described above.
- n. Contractor shall handle inbound and outbound phone calls and correspondence from defendants who have questions about disputes, and other issues relating to citation adjudication.
- o. If an owner who receives a Notice of Violation fails to pay the statutory penalty or submit an affidavit that complies with all requirements provided in Section 316.0083(1)(d) of the Florida Statutes within the time period provided in Section 316.0083(1)(b) of the Florida Statutes, the issuance of a Uniform Traffic Citation will automatically occur based on the prior Traffic Infraction Enforcement Officer approval of the Notice of Violation.

II. CITY'S SCOPE OF WORK

1. GENERAL IMPLEMENTATION REQUIREMENTS

- a. Within seven (7) business days of Amendment No. 1 to the Agreement, City shall provide CONTRACTOR with the name and contact information for a project manager with authority to coordinate City responsibilities under this Agreement.
- b. Within seven (7) business days of execution of Amendment No. 1 to the Agreement, City shall provide CONTRACTOR with the name and contact information for a Uniform Traffic Citation manager responsible for oversight of all Uniform Traffic Citation-related program requirements.
- c. Within seven (7) business days of execution of Amendment No. 1 to the Agreement, City shall provide CONTRACTOR with the name(s), contact information, and electronic signature(s) of all Traffic Infraction Enforcement Officers authorized by City's police or sheriff's department to approve and issue Notices of Violation and Uniform Traffic Citations.
- d. City shall establish a method by which an Owner who has received a Notice of Violation or a Uniform Traffic Citation may review the images and video evidencing the Violation at www.violationinfo.com free of charge. This may be at a publicly available terminal at a City facility or by appointment with the Uniform Traffic Citation manager.
- e. City shall make every effort to adhere to the Project Implementation Timeline to be agreed upon between the parties.
- f. City shall direct the Flagler County Sheriff's representative, the City's code enforcement representative or approved alternate to execute the Contractor DMV Subscriber Services Agreement (Schedule 2) to provide verification to the State Department of Motor Vehicles, National Law Enforcement Telecommunications System, or appropriate authority indicating that Contractor is acting as an Agent of 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.
- g. City and Contractor shall complete the Project Business Process Work Flow design within thirty (30) calendar days of contract signature.
- h. City shall issue all needed permits to Contractor and its subcontractors within three (3) days of plan approval.

- i. City shall allow Contractor to install vehicle detection sensors in the pavement or roadways within the City's jurisdiction.
- j. City shall allow Contractor to build needed infrastructure into any existing City owned easement as necessary.

2. STREETS AND TRAFFIC DEPARTMENT OPERATIONS

- a. City will design, fabricate, install and maintain red light camera warning signs. If City cannot provide such signage, CONTRACTOR will do so and charge the costs to City.
- b. City shall provide access traffic signal phase connections according to approved design for traffic signals owned and operated by City.
- c. City shall allow Contractor 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. Provided, City shall not be responsible for providing access to Florida Department of Transportation equipment or infrastructure or any other jurisdiction's equipment or infrastructure.
- d. City shall not require Contractor to provide installation drawings stamped by a licensed civil engineer. However, Contractor work product and drawings shall be overseen and approved by a Contractor PE and such deliverables shall conform to applicable engineering norms and reflect the details of installation work to be completed.
- e. City shall approve or reject Contractor submitted plans within seven (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 ten (10) business days.
- f. City shall not charge Contractor or its Subcontractor for building, constructions, street use and/or pole attachment permits.

3. CITY OPERATIONS.

- a. City's Traffic Infraction Enforcement Officer(s) shall process each potential violation in accordance with State Law and/or Municipality Ordinances within five (5) days of its appearance in the Law Enforcement Review Queue, using Axisis to determine which violations will be issued as Notices of Violation. In the event the City fails to process potential Violations within this timeframe,

Contractor shall not be liable for failure to issue a notice or citation within statutory timeframes, provided that the Contractor has placed the potential violations in the viewing cue timely.

b. Within seven (7) days of the execution of Amendment No. 1 to the Agreement, City shall provide Contractor with a form of Uniform Traffic Citation that complies with the provisions of Chapter 316 of the Florida Statutes, with the understanding that some modifications may be necessary to enable use with Contractor's systems.

c. City shall provide Contractor with instructions or specifications for the treatment of affidavits, with the understanding that some modifications may be necessary to ensure compatibility with Contractor's processes.

d. City workstation computer monitors for citation review and approval provide a resolution of 1280 x 1024.

e. For optimal data throughout, City workstations should be connected to a high-speed internet connection with bandwidth of T-1 or greater.

f. City shall provide signatures of all Traffic Infraction Enforcement Officers users who will review events and approve issuance of Notices of Violation and Uniform Traffic Citations on forms as provided by Contractor.

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

4. INFORMATION TECHNOLOGY DEPARTMENT OPERATIONS

a. In the event that remote access to the Contractor Axis VPS System is blocked by City network security infrastructure, City's Department of Information Technology shall coordinate with Contractor to facilitate appropriate communications while maintaining required security measures.

**EXHIBIT B
PRICING AND RATE SCHEDULE**

**1.0 Description of Pricing.
Fee**

From July 10, 2010 through May 31, 2012, the total fee paid to Contractor shall be \$_____.

After June 1, 2012, Contractor will pay City a Flat Fee of \$700.00 per camera per month. In addition to the Flat Fee, the City will receive each month an amount representing all Net Revenue over \$4,950.00 multiplied by the number of active cameras. (Example 1: \$60,000 net monthly revenue. First, City gets \$7,000 ($700 * 10$ cameras); then Contractor gets \$42,500 (max of $4,250 * 10$ cameras). This leaves a remaining balance of \$10,500 ($60,000 - 7,000 - 42,500$) which goes to the City. City total is \$17,500 ($7,000 + 10,500$). Example 2: \$40,000 net monthly revenue. First, City gets \$7,000 ($700 * 10$ cameras); then Contractor gets \$33,000 (equates to $3,300 * 10$ cameras). Since the per camera amount for Contractor is below the max of \$4,250, no additional amount is payable to the City. City total is \$7,000.)