



March 14, 2012

Mr. Lee Feldman, City Manager  
City of Fort Lauderdale  
111 N. Andrews Ave, 8<sup>th</sup> Floor  
Fort Lauderdale, FL 33301

**RE: American Traffic Solutions / Proposal for Program Enhancement**

Dear Mr. Feldman:

Thank you for your patience as we have worked to put together the following proposal for enhancing Fort Lauderdale's red light traffic safety program. The genesis of this proposal follows a comprehensive review of program enforcement, policies and utilization and seeks to address concerns we have heard expressed about the program by City leadership.

**I. Program Overview**

As a starting point, we wish to provide a brief overview of the City's program from inception to date. Currently, the City has approved installation of cameras at six (6) intersections. To date, these intersections have generated more than 26,618 violations from inception to date. According to status reports by the Fort Lauderdale police department, the City's program has improved driver behavior and reduced traffic accidents within the City. These results are consistent with national studies showing significantly reduced accidents and fatalities in cities with red light camera programs.

From a financial perspective, the City's program has shown net income (gross income less state share and ATS fees) in excess of \$685,000.00, not including revenue collected by the Clerk of Courts. The City has also accumulated \$200,000.00 in *additional* receivables, which should or has been collected by the clerk of courts and remitted to the City. Three of the City's six cameras have produced net revenue significantly in excess of expenses, the remaining three cameras have been about even, not including receivables owed through the Clerk of Courts. The revenue trend, however, has been more positive as the County Court system has been issuing clearer guidance on violations.

**II. The City's Soft Costs**

As stated above, the City of Fort Lauderdale to date has net operating revenues of approximately \$685,000.00, plus Clerk of Court revenues. However, as you are certainly aware, the City has had to expend additional legal resources defending the program, and in many cases, took the lead for all Broward County cities because of the order in which tickets were docketed.

The City's stated minimum goal is program self-sufficiency. Likewise, we are extremely grateful for the hard work and leadership that Bradley Weissman and Ginger Wald have put into the program, and this effort has been taken into account in the proposal below.



### III. Proposal for Program Enhancement

In light of the foregoing, we propose the following program enhancements, which will: (1) ensure that the City program is self-sufficient life to date; (2) increase the safety benefit of the program; and (3) improve overall performance of the program.

To that end, we propose the following enhancements to be confirmed by Addendum to the current agreement:

- Invoice credits totaling \$230,000.00.
- Notice to proceed for thirty (30) mutually agreeable camera locations. Please see attached list
- Revenue neutral billing for Cameras 03, 07 and 10.
- An extension of the contract term to four (4) years from the current expiration date.
- Amend Section 4, subsection (iv.) to read as follows:

For convenience of Customer, as the Customer reserves the right, in its best interest as determined by the Customer, to terminate by giving written notice to ATS thirty (30) days prior to the effective date of such termination. If the Customer elects to terminate the agreement under this subsection, Customer shall pay ATS an early termination fee based on a price of \$2,000 per Camera System for each month remaining in the then-current term. Example: Customer terminates the Agreement for convenience with two (2) months remaining in the term. Customer would owe ATS \$4,000 (\$2,000 x 2) for the early termination fee.

- Amend Section 2.3.1 to read:

If the Customer requests that ATS move a Camera System to a new Approach after initial installation, ATS and the Customer shall share the costs to relocate the Camera System, with fifty percent (50%) of the cost to be paid by ATS and fifty percent (50%) of the cost to be paid by the Customer.

The above enhancements represent a significant step forward for the program by ensuring program self-sufficiency, providing significant new investment in technology to improve traffic safety, and increased scale and program security. Furthermore, the proposal reflects the mutual efforts expended by the City and ATS working with the Court system to establish standards and procedures for violators.



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We would be pleased to discuss this proposal with you at your earliest convenience, and appreciate your consideration.

Sincerely,

AMERICAN TRAFFIC SOLUTIONS

A handwritten signature in black ink, appearing to read 'Chris J. Merdon', written over a horizontal line.

Christopher Merdon  
SVP of Account Management

Dir.	Street	Cross Street
NB	FL A1A / N Ocean Blvd	Commercial Blvd
SB	FL A1A / N Ocean Blvd	Commercial Blvd
EB	Commercial Blvd	FL A1A / N Ocean Blvd
EB	Davie Blvd / SR 736	S Andrews Ave
WB	Davie Blvd / SR 736	SW 27th Ave
WB	Davie Blvd / SR 736	SW 9th Ave
EB	E Commercial Blvd / SR 870	N Dixie Hwy / SR 811
WB	E Commercial Blvd / SR 870	N Dixie Hwy / SR 811
WB	E Commercial Blvd / SR 870	NE 15th Ave
EB	E Commercial Blvd / SR 870	NE 15th Ave
WB	E Commercial Blvd / SR 870	NE 18th Ave
EB	E Commercial Blvd / SR 870	NE 18th Ave
WB	E Commercial Blvd / SR 870	NE 20th Ave
EB	E Commercial Blvd / SR 870	NE 20th Ave
WB	E Commercial Blvd / SR 870	NE 6th Ave
EB	E Oakland Park Blvd	FL A1A / N Ocean Blvd
SB	FL A1A / N Ocean Blvd	E Oakland Park Blvd
NB	FL A1A / N Ocean Blvd	E Oakland Park Blvd
NB	FL A1A / N Ocean Blvd	NE 23rd St
NB	FL A1A / N Ocean Blvd	NE 30th St
SB	FL A1A / N Ocean Blvd	NE 30th St
SB	N Federal Hwy / US 1	NE 16th St
NB	N Federal Hwy / US 1	NE 16th St
SB	N Federal Hwy / US 1	NE 38th St
SB	NW 31st Ave	NW 19th St
EB	NW 19th St	NW 31st Ave
WB	W Broward Blvd / SR 842	NW 5th Ave
EB	W Broward Blvd / SR 842	NW 5th Ave
NB	S Federal Hwy / US 1	SE 7th St
SB	S Federal Hwy / US 1	SE 7th St