

STATE OF NORTH CAROLINA

COUNTY OF WAKE

**AGREEMENT BETWEEN
THE CITY OF RALEIGH, NORTH CAROLINA
AND
ACS STATE & LOCAL SOLUTIONS, INC.**

THIS AGREEMENT (the "Agreement" or the "Contract"), effective the 1st day of October, 2008, by and between the CITY OF RALEIGH, NORTH CAROLINA (HEREINAFTER CALLED "City"), a municipal Corporation located in Wake County, North Carolina; and ACS STATE & LOCAL SOLUTIONS, INC., a Corporation organized under the laws of the State of New York (hereinafter called "Contractor"), individually referred to as "Party" and collectively as "Parties".

WITNESSETH:

1. **PURPOSE OF AGREEMENT** The purpose of this Agreement is for the Contractor to be responsible for the purchase, installation, maintenance, operation of equipment, collections, and management associated with the Raleigh *SafeLight* Program as described herein. The purpose of the project is to improve safety on public streets.

2. **APPLICABLE DOCUMENTS**

2.1 **Precedence**

The following Exhibits are attached to and form a part of this Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise, between and the body of this Agreement and the Exhibits thereto, such conflict or inconsistency shall be resolved by giving precedence to the documents according to the following priority:

1. The body of this Agreement
2. Exhibit 1 - Scope of Services
3. Exhibit 2 - Payment Provisions
4. Exhibit 3 - Termination Fee
5. Exhibit 4 - City of Raleigh Request for Proposal Dated September 5, 2007 and related Addenda
6. Exhibit 5 - ACS State & Local Solutions, Inc. Proposal Dated October 4, 2007 (the "Proposal")
7. Exhibit 6 - Acknowledgement

Notwithstanding the above, to the extent that ACS has made commitments to the City in the Proposal that are not referenced within the body of this Agreement, such commitments shall not be deemed an inconsistency or in conflict with the body of this Agreement and shall continue to represent binding obligations of ACS to the City.

The terms of the body of this Agreement, and the Exhibits thereto, shall constitute the complete and exclusive statement of understanding between the Parties which supersedes all previous agreements, written or oral, and all communications between the Parties relating to the subject matter of this Agreement.

3. **SCOPE OF SERVICES**

Pursuant to the provisions of this Agreement, Contractor shall provide, complete and deliver on time all the tasks, deliverables, goods, services, and other work as set forth in Exhibit 1 (Scope of Services), defined therein as Contractor responsibilities.

4. **INSURANCE**

4.1 The Contractor shall maintain during the life of this Agreement Worker's Compensation and Employer's Liability Insurance, covering all of the Contractor's employees to be engaged in the work under this Agreement, providing the required statutory benefits under North Carolina Workers Compensation Law, and Employers Liability Insurance providing limits at least in the amount of \$500,000/\$500,000/\$500,000 applicable to claims due to bodily injury by accident or disease.

4.2 The Contractor shall procure and maintain during the life of this Agreement Commercial General Liability Insurance, for bodily injury and/or property damage, Contractual Liability assumed under the provisions of this Agreement, and Products/Completed Operations Liability. The City shall be named as an additional insured under the Commercial General Liability policy. Unless otherwise specified, this coverage shall be written providing liability limits at least in the amount of \$1,000,000, Combined Single Limits, applicable to claims due to bodily injury and/or property damage arising from an occurrence and \$2,000,000 general aggregate.

4.3 The Contractor shall procure and maintain during the life of this Agreement business Automobile Liability Insurance. Such coverage shall cover Contractor's owned, non-owned and leased vehicles used by Contractor under this project.

The Contractor shall furnish the schedule of insurance carried under this Agreement in the form of a standard ACORD form Certificate of Insurance attested by the insurance carrier or appointed agent, indicating the type, amount, policy number, effective date and expiration date of all policies. Such evidence shall contain express conditions that the City shall be given written notice at least twenty (20) days prior to any cancellation or non-renewal of these coverages with limits required by this Contract. Contractor shall also provide the City with copies of the policy endorsements made to meet the insurance coverage criteria listed above.

5. **PUBLIC RELATIONS**

The City and Contractor recognize that the *SafeLight* Program must be accomplished in a satisfactory manner so as to engender good public relations for the City. The Contractor's employees who normally and regularly come into direct contact with the public shall be clearly identifiable by name badges and identification cards.

employees who normally and regularly come into direct contact with the public shall be clearly identifiable by name badges and identification cards.

The Contractor shall assure that its employees serve the public in a courteous, helpful and impartial manner. All employees of the Contractor in both field and office shall refrain from belligerent behavior and/or profanity. Correction of any such behavior and language shall be the responsibility of the Contractor.

In the event a report is received alleging an employee(s) of the Contractor was discourteous, belligerent, and profane or in way intimidating, either physically or verbally, the Contractor shall submit a written report to the City's Project Manager, outlining the complete details of the incident. Said report shall include the nature of the incident, time, date, location and name address, phone number of the person alleging the violation. The report shall also include the name and title of the employee and what disciplinary action if any was taken. The Contractor shall keep on file a copy of all such reports for the duration of the project, and make these available to the City's Project Manager upon request.

6. **TERM OF CONTRACT**

The initial term of this Agreement is for three (3) years, commencing on the effective date listed above. The Agreement may be renewed for two (2) successive one year terms at the City's sole option. If the City intends to exercise its renewal option, notice shall be provided to Contractor no later than sixty (60) days prior to the end of the current term.

7. **COMPENSATION**

All compensation to Contractor under this Agreement shall be paid in accordance with Exhibit 2, Payment Provisions. Total compensation for the initial term shall not exceed two million, three hundred eighty-five thousand, one hundred forty four and 00/100 dollars (\$2,385,144.00). Compensation for renewal terms shall be determined in accordance with Exhibit 2 to this Agreement.

8. **PAYMENT FOR SERVICES**

All revenues will be deposited in an account managed by the City. The Contractor shall submit an invoice no more than once a month to the City. The City shall pay the Contractor within 45 days of the receipt of a correct invoice.

9. **RELEASE AND INDEMNITY**

To the fullest extent permitted by law, Contractor shall release, indemnify, keep and save harmless the City, its agents, officials and employees, from responsibility or liability for actual damage or injury (including death directly resulting there from) to agents, officials or employees of the City, and to property directly resulting from the negligent acts or omissions of Contractor, its agents, or employees, whether such claim may be based in whole or in part upon contract, tort, or upon any alleged breach of any duty or obligation on the part of the Contractor, its agents, officials, and the provisions of this section shall include claims for equitable relief or for actual and reasonable damages, losses, injuries, fines, penalties, costs and expenses.

Expenses as used herein shall include the actual and reasonable costs incurred by the City, its agents, officials and employees, in connection with investigating any claim or defending any action due solely to the negligent acts or omissions of Contractor, and shall also include reasonable attorney's fees by reason of the assertion of any such claim against the City, its agents, officials or employees. The Contractor expressly understands and agrees that any insurance protection required by this contract or otherwise provided by the Contractor, shall in no way limit the Contractor's responsibility to release, indemnify, keep and save harmless and defend the City as herein provided.

10. **PERSONNEL**

It is mutually agreed that Contractor is an independent contractor and not an agent of the City. As such, the Contractor shall not be entitled to any City employment benefits, such as but not limited to vacation, sick leave, insurance, worker's compensation, or pension and retirement benefits.

11. **CONFLICT OF INTEREST**

No paid employee of the City shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this Agreement.

12. **NON-WAIVER OF RIGHTS**

It is agreed that the City's failure to insist upon the strict performance of any provision of this Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such breach, shall not constitute a waiver of any rights under this Agreement.

13. **SUSPENSION OR TERMINATION AGREEMENT**

13.1 **Contractor Default** In the event that the Contractor's performance shows material non-conformance to the work required by this Contract, the Request for Proposal, the Contractor's Proposal, or other terms or conditions contained herein as a result of the Contractor's negligent errors, negligent omissions or negligent acts, the Contractor shall be in breach of this Agreement and the City may take corrective action as it deems necessary including, but not limited to, termination, withholding or reduction of payment. Notwithstanding the above, unless otherwise stated in this Contract, such negligent errors, omissions or acts shall not be cause for termination if the following conditions are satisfied: Prior to any Termination for Default of Contractor, City shall issue a written Cure Notice to the Contractor. Contractor shall have ten (10) days from the receipt of said Notice to provide a written Corrective Action Plan (the "CAP") to City. If the CAP, as may be amended by the Parties, is found to be acceptable to City, Contractor shall proceed to cure the identified defects within thirty (30) days of receipt of the Cure Notice or such other time period as is mutually agreed to between the parties. Such additional time to cure defects shall not waive the City's rights to terminate the Agreement if the identified defects in the Cure Notice are not corrected to the reasonable satisfaction of the City in accordance with the terms and conditions of this Agreement.

City Default In the event that the City's performance shows material non-conformance to the work required by this Contract or other terms or conditions contained herein as a result of the City's negligent errors, negligent omissions or negligent acts, the City shall be in breach of this Agreement and the Contractor may take corrective action as it deems necessary including, but not limited to, termination, withholding or reduction of service. In the event that this Agreement is terminated for cause by the Contractor, Contractor shall be paid any unpaid monthly and other fees provided for under this Agreement due at the time of termination, including recovery of non-depreciated capital equipment, not to exceed the amounts in Exhibit 3, Termination Fees, and all other such reasonable and actual costs, expenses, and damages incurred by Contractor as a direct result of such termination.

- 13.2 **Suspension** The City shall also have the right to suspend this Agreement upon written notice to the Contractor. Such written notice shall state the reasons for suspension and allow for a review period of thirty (30) days during which the Contractor shall be provided with an opportunity to respond with an explanation or justification, and/or shall undertake any reasonable remedial action required by the City. If, the Contractor remains in material violation of this Agreement at the completion of thirty (30) days suspension period, the City shall have the right to terminate this Agreement.
- 13.3 Nothing contained herein shall prevent the City from pursuing any other remedy that it may have against Contractor including claims for actual damages.
- 13.4 Upon expiration, termination, or default of the contract, the Contractor will provide the City or authorized agent access to all non-proprietary electronic data files maintained by Contractor that need to be transferred to another software system.
- 13.5 In no event, will the Contractor be responsible for incidental, consequential or special damages under this Agreement.
- 13.6 Should the contract be terminated prematurely for cause due to poor camera, hardware, and/or software performance of a material nature (outlined in Exhibit 1, Equipment and Performance Standards Sections), the Contractor shall not be entitled to any Termination Fee, including non-depreciated capital equipment cost. The Contractor shall be entitled to payments required by the terms of this Agreement for products and services received prior to the effective termination date.

If the City terminates the contract under the provisions of this section, Contractor shall remove all equipment and restore the camera sites to pre-contract conditions at no cost to the City.

- 13.7 Either party may terminate this Agreement without cause by providing thirty (30) days written notice to the other party. In the event that City terminates this Agreement without cause, Contractor shall be paid any undisputed unpaid monthly and other fees provided for under this Agreement due at the time of termination, including recovery of non-depreciated capital equipment, not to exceed the amounts in Exhibit 3, Termination Fees, and all other such reasonable and actual costs, expenses, and damages incurred by Contractor as a direct result of such termination.

A suspension of work by the City for sixty (60) or more days shall constitute a termination for convenience unless such suspension is due to legislative change or a judicial action.

If the City terminates the contract under the provisions of this section, Contractor shall remove all equipment and restore the camera sites to pre-contract conditions at no cost to the City.

- 13.8 If changes in the law (including, but not limited to, modifications to the City's enabling authority from the State of North Carolina or judicial order) result in the City's being unable to use cameras in the enforcement of red light violations in the manner contemplated under the contract, then the City may immediately suspend work under the Contract and may terminate the Contract with two weeks written notice to Contractor. Contractor shall be paid any undisputed unpaid monthly and other fees provided for under this agreement due at the time of termination. Contractor shall retain ownership of the cameras and associated equipment (including, but not limited to poles, housing, auxiliary flash equipment, and cabinets).

If the City terminates the contract under the provisions of this section, Contractor shall remove all equipment and restore the camera sites to pre-contract conditions at no cost to the City. If the City terminates the contract under the provisions of this section, Contractor shall not be entitled to any Termination Fees established elsewhere in this Agreement.

- 13.9 If changes in the law (including, but not limited to, modifications to the City's enabling authority from the State of North Carolina or judicial order) cause the City's Red Light Camera Enforcement Program to experience a negative revenue flow, then the parties shall attempt for 30 days to resolve the problem that created a negative revenue flow, and may mutually agree to revise the terms and conditions of this Agreement; however, if such efforts at resolution fail, then Contractor, upon two weeks' written notice to the City of its intent to do so, shall be responsible for the removal of cameras equipment, and any other materials installed under this contract. Contractor shall have the right to retain ownership of the cameras and associated equipment (including, but not limited to poles, housing, auxiliary flash equipment, and cabinets). Contractor shall also restore each site on which Contractor has worked to its original condition. Restoration shall be considered complete when the City has given its approval in writing, which approval shall not be unreasonably withheld. Contractor shall be paid any undisputed unpaid monthly and other fees provided for under this agreement due at the time of termination, including recovery of non-depreciated capital equipment, not to exceed the amounts in Exhibit 3, Termination Fees, and all other such reasonable and actual costs, expenses, and damages incurred by Contractor as a direct result of such termination.

14. **ASSIGNMENT OF AGREEMENT**

It is mutually agreed by the Parties hereto that this Agreement is not transferable by either Party without the written consent of the other Party to this Agreement. Such consent will not be unreasonably withheld.

15. **SUBCONTRACTS**

The Contractor is authorized to enter into a subcontract agreement with other firms to perform specific services in support of this Agreement. Sub-contractors shall be pre-approved, in writing, by the City before entering into an agreement with ACS.

16. **ENTIRE AGREEMENT**

This Agreement and named exhibits in Section 2.1 constitute the entire understanding of the Parties.

17. **BINDING EFFECT**

This Agreement shall be binding upon the heirs, successors, assigns, agents, officials, employees, independent contractors, and subcontractors of the Parties.

18. **CONTINUING OBLIGATION**

The Parties will make and execute all further instruments and documents required to carry out the purposes and intent of the Agreement.

19. **REFERENCE**

Use of the masculine includes feminine and neuter, singular includes plural; and captions and headings are inserted for convenience of reference and do not define, describe, extend or limit the scope of intent of the Agreement.

20. **INTERPRETATION**

This contract shall be construed according to the laws of the State of North Carolina, without regard for choice of law rules. Venue for any legal action regarding this contract shall be in the Superior Court of Wake County, North Carolina, or the US District Court for the Eastern District of North Carolina, Western Division.

21. **SAVING CLAUSE**

If any section, subsection, paragraph, sentence, clause, phrase or portion of this Agreement is for any reason held invalid, unlawful, or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

22. **PERFORMANCE BOND**

The Contractor shall provide the City of Raleigh with a performance bond, in an amount equal to 100 % of the annual amount of the contract. The annual value of the contract will be equal to the anticipated annual fees paid to the Contractor in the upcoming year. The bond shall be annually renewable and issued on a standard surety bond form. The corporate surety furnishing the bonds shall be authorized to do business in the State of North Carolina. Contractor shall

deliver evidence of the bond renewal prior to the start of each contract year. Failure to provide evidence of the renewal of the bond shall be treated as a breach of this agreement.

The Contractor's failure to execute the contract and file acceptable bonds within ten (10) days after the notice of award is received by him will be just cause for the forfeiture of the bid bond or bid deposit and rescinding the award of the contract. Award may then be made to the next lowest responsible bidder or the work may be re-advertised and constructed under contract, or otherwise as the City of Raleigh may decide.

23. **OTHER LAWS AND REGULATIONS**

Contractor will comply with any and all applicable federal, state and local standards, regulations, laws, statutes, and ordinances regarding toxic, hazardous and solid wastes and any other pollutants; public and private nuisances; health or safety; and zoning, subdivision or other land use controls. Contractor will take all reasonably necessary, proper or required safety, preventive and remedial measures in accordance with any and all relations and directives from the United States Environmental Protection Agency; the North Carolina Department of Environment, Health and Natural Resources, Health Departments, and any other federal, state or local agency having jurisdiction, to ensure the prompt prevention or cessation (now or in the future) of violations of either the applicable provisions of such standards, regulations, laws, statutes, and ordinances or any permits or conditions issued there under.

23. **AMENDMENTS**

This Agreement shall not be modified or otherwise amended except as mutually agreed and in writing signed by the Parties.

24. **NON-DISCRIMINATION**

The Contractor agrees not to discriminate in any manner on the basis of age, sex, sexual orientation, handicap, race, color, creed or national origin with reference to the subject matter of that contract (bid), no matter how remote. The Contractor further agrees to conform with the provisions and intent of City of Raleigh Ordinance 1969-889, as amended. This provision being incorporated into the contract for the benefit of the City of Raleigh and its residents may be enforced by action for specific performance, injunctive relief, or other remedy as by law provided; this provision shall be construed in such manner as to prevent and eradicate all discrimination based on age, sex, sexual orientation, handicap, race, color, creed or national origin. This agreement shall be binding on the successors and assigns of the parties hereto with reference to the subject matter of the above-mentioned contract (bid).

25. **PROPRIETARY CONSIDERATIONS AND DATA SECURITY**

25.1 **Proprietary Rights** All materials, data and other information of any kind obtained from City personnel shall only be used in the performance of this Agreement. All proprietary materials, data, reports, programs, and other information of any kind developed or supplied by Contractor in the performance of this Agreement are confidential to and remain solely the property of Contractor. Both Parties shall take all necessary measures to protect the security and confidentiality of all such materials, data, reports, programs and information not considered public record by the North Carolina

Public Records Law. The provisions of this Paragraph shall survive the expiration or other termination of this Agreement.

- 25.2 Data Security Both Parties shall protect the security of and keep confidential all materials, data, reports, programs and information received or produced under this Agreement
- 25.3 Disclosure of Information Both Parties agree they shall not disclose any details in connection with this Agreement, any party, except as may be otherwise provided herein or required by law.
- 25.4 Agreement Subject to North Carolina Public Records Law Notwithstanding any other provisions of this Agreement, this Agreement and all materials submitted to the City by the Contractor are subject to the public records laws of the State of North Carolina and it is the responsibility of the Contractor to properly designate materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to the submission of such materials to the City. Contractor understands and agrees that the City may take any and all actions necessary to comply with federal, state, and local laws and/or judicial orders and such actions will not constitute a breach of the terms of this Agreement. To the extent that any other provisions of this Contract conflict with this paragraph, the provisions of this section shall control.

26. **NOTICES**

All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the Parties at the following addressees. Addresses may be changed by either Party giving ten days prior written notice thereof to the other Party.

A. If to Contractor:

ACS State & Local Solutions, Inc.
1800 M Street, NW, Seventh Floor
Washington, DC 20005
Attn: Priscilla A. Taylor, Contracts Manager, Public Safety Solutions
Tel. 202.378.2871

B. If to City of Raleigh

City of Raleigh
P.O. Box 590
222 West Hargett Street
Raleigh, North Carolina 27602
Attention: Mike Kennon, PE, Transportation Operations Manager
Tel. 919.890.3430

27. **AUDIT**

Project Records of the Contractor relating to the performance of tasks, deliverables, goods, services, and other work as set forth under this Agreement and records of project accounts between the City and the Contractor shall be kept on a generally recognized accounting basis and shall be available for audit by the City, including the Auditor of the City or his authorized representative within the City, at mutually convenient times during the term of the contract and for three (3) years after the final payment under this Agreement. Notwithstanding the foregoing, the Contractor shall not be required to disclose any data relating to its internal costs or profits relating to this Agreement or of its subcontractors.

28. **RISKS OF LOSS OR DAMAGE**

Risk of loss or damage to the parts, materials, documents, hardware, System Software, electronically recorded data, other data and any other items purchased or designed for or developed in connection with the System and under the sole control of Contractor shall be and remain on the Contractor except that City, to the extent permitted by law, shall be responsible for any damage caused to equipment and cameras due solely to the negligent acts or omissions of the City or its agents.

Contractor and City shall be equally responsible for any equipment repair and/or replacement costs resulting from road work, utility work, or any other act of the State or its agents. In any event, Contractor's liability shall not exceed \$500,000.00.

29. **DELAYS OR FORCE MAJEURE**

Notwithstanding anything in this Agreement which is or may appear to be to the contrary, if the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances which are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, accidents, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or hurricanes] labor action, strikes or similar acts, moratoriums or regulation or actions by governmental authorities other than the City of Raleigh, acts of vandalism, pole knockdowns, vehicular accidents), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such a delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this Section.

Both parties acknowledge that Contractor shall not be responsible for any delays in fulfilling its obligations under this contract due to action or non-action of the City with regards to street maintenance impacting camera locations and effectiveness.

Should such delay or failure of performance on the part of the City have a material effect on the cost of Contractor's performance of the Agreement, the parties shall meet to establish the terms of any mutually-agreeable change order that may be appropriate under the circumstances, such change order to be executed in the same manner as this Agreement.

[Signature pages follow this page.]

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf and the Contractor has caused this Agreement to be duly executed in its name and behalf and its corporate seal to be hereunto affixed, and attested to.

CITY OF RALEIGH, NORTH CAROLINA

BY: _____
J. Russell Allen
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

ACS STATE & LOCAL SOLUTIONS, INC.

BY: _____
Mark J. Talbot
Vice President
Public Safety Solutions

ATTEST:

Asst. Paul K. Wehler
Secretary
~~Trust Officer~~

CORPORATE SEAL

WITNESS my hand and official seal this the 21 day of August, 2008

Donna Dixon-Garner
Notary Public

(SEAL)

My commission expires: February 28, 2013

DONNA DIXON-GARNER
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires February 28, 2013

WASHINGTON

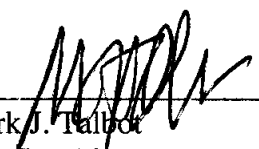
DISTRICT OF COLUMBIA

Nondiscrimination Agreement

This Agreement is made and executed this _____ day of _____, 2008 by and between the undersigned.


In consideration of the signing of the parties thereto for themselves, their agents, officials, employees and servants agree not to discriminate in any manner on the basis of age, sex, sexual orientation, handicap, race, color, creed or national origin with reference to the subject matter of that contract, no matter how remote. The parties thereto further agree in all respects to conform with the provisions and intent of City of Raleigh Ordinance 1969-889, as amended. This provision being incorporated into the contract above referred to for the benefit of the City of Raleigh and its residents may be enforced by action for specific performance, injunctive relief, or other remedy as by law provided; this provision shall be construed in such manner as to prevent and eradicate all discrimination based on age, sex, sexual orientation, handicap, race, color, creed or national origin. This agreement shall be binding on the successors and assigns of the parties hereto with reference to the subject matter of the above-mentioned contract.

ACS State & Local Solutions, Inc.



BY: Mark J. Talbot
Vice President
Public Safety Solutions

ATTEST:



Asst. Secretary

(Corporate Seal)

EXHIBIT 1

Scope of Services

Description of the Project

The project and contract creates a program of traffic signal violation photo/image/video monitoring and enforcement for the City of Raleigh. The purpose of the program is to improve safety on public streets.

The Contractor shall be responsible for the provision, implementation and continuing satisfactory performance of the equipment, software, and other services provided in accordance with the terms and conditions of this Agreement. This responsibility includes the obtaining and integration of all necessary equipment, computer hardware and software, related infrastructure, citation processing services, and collections, coordination of the appeals process as well as other services described in this agreement.

The total project will consist of a minimum of 15 intersection approaches. There are twelve (12) active digital camera systems in place, comprised of two (2) Multicams and ten (10) GTC-Ds, installed at twelve (12) intersection approaches. Of the existing intersection approaches which will remain in place, four (4) will be refurbished. This will include an assessment of each location to determine what the refurbishment will consist of. This assessment will be reviewed and approved by city staff. A refurbishment could include adding video hardware, if it doesn't already exist, re-terminating cabling in side the pole, replace/repair the loops, service pole motor and lead screw, and sand/repaint poles and cabinet. Actual cost of refurbishment for each location will then be assigned as the termination fee amount for that location as detailed in Exhibit 3. Retrofitting of five (5) digital camera systems will include refurbishing, adding video hardware and upgrading the camera to GS11. Brand new locations will include a full installation with new in-ground loops and GS11 camera, housing, pole and necessary hardware.

The contractor will de-commission a maximum of six (6) of the existing twelve (12) intersection approaches, which are noted below, at no cost to the City. The sites to be de-commissioned do not include the four (4) intersection approaches to be re-furbished or the five (5) intersection approaches to be retrofitted.

1. Capital/Millbrook/New Hope (Location #1704)
2. Rock Quarry NB (Location #901)
3. Six Forks/Dartmouth NB (Location #1801) - (The State DOT has scheduled construction at this intersection in the near future. If the City does not identify an additional new site to replace this intersection approach, they may choose to not de-commission this location.)
4. Six Forks/Dartmouth SB (Location #1802)
5. Wilmington/Morgan (Location #801) - (This location has been inactive for years.)
6. Rock Quarry SB (Location #902) - (This location has been inactive for years.)

In the event of contract termination or close-out under the provisions of Sections 13.6, 13.7, 13.8, or Exhibit 1 – Scope of Services – Contractor Compensation, Contractor shall remove all equipment and restore the camera sites to pre-contract conditions at no cost to the City.

Analysis and Design

The Contractor will perform an engineering analysis of a pre-determined number of intersection approaches pursuant to Exhibit 2 – Payment Provisions . The City reserves the right to add intersections to be analyzed. This analysis will include a review of the accident data (provided by the City) and the number of actual violations during a sixteen (16) hour period (provided by the Contractor). After approval of the analysis by the City, the Contractor will provide an optimum safe and effective design for the placement of the equipment for all intersection approaches selected for photo enforcement by City staff. The City must approve each design and North Carolina Department of Transportation must approve the design for all of the intersections on the State Highway System through their encroachment process. The Contractor is required to provide as-built signal plans with electrical details to be submitted to and approved by the City and the North Carolina Department of Transportation on State system streets. The contractor will also be responsible for encroachments permits from the North Carolina Department of Transportation.

Equipment

The equipment shall be able to automatically detect a vehicle, which is violating the red signal indication, including the speed of such vehicle and the amount of time elapsed between the time when the signal turned red and the time of the violation. The equipment shall be capable of capturing multiple images and associated video of the violation, and be able to produce detailed still images of the violation showing the rear of the vehicle and close-up clearly legible image of the license plate, during day, night, and inclement weather conditions. A video camera is included in every GS11 red light camera unit as well as being added to all existing cameras in the field that do not currently have a video unit today. When a violation occurs, the digital video recorder saves the video containing the violation event. Video clips will be available via Citeweb public inquiry portals.

The following information must be imprinted on each image without obstructing the image of the vehicle, license plate, and violation:

- Day, month, and year of the violation
- Time of the violation in military time of hours, minutes and seconds
- Intersection, identified by names of intersection streets or other appropriate identifiers
- Amount of time, in fractions of a second, from the time the signal turned red to the time of the violation
- Amount of time for yellow signal duration
- Speed of the vehicle

The Contractor must have financial resources adequate to purchase or lease approved equipment. The cost of equipment should be included in the cost structure as described in Exhibit 2. All equipment shall remain the property of the Contractor.

Schedule and Installation of Equipment

Unless specifically stated herein any reference to the term “day” shall be deemed to mean “calendar day”.

The re-furbishing and retrofitting of existing camera locations and the installation of new GS11 camera locations will occur within 120 days of contract signing or notice to proceed, whichever comes earliest. The re-furbishing will begin within thirty (30) days from contract signing or notice to proceed, whichever comes earliest, at identified existing locations. It is estimated that four (4) existing sites can

be re-furbished within thirty (30) days (barring any unusual weather conditions or issues outside our control).

Once new locations are identified and all approvals and permits are in hand, construction and IQS is expected to be completed within thirty (30) days. These timelines are contingent upon ten (10) business day approval of the construction permits by the City and State.

The City may require a 15-day test period of each intersection approach. The Contractor will provide and install all field and office equipment necessary for the City to monitor the program.

During re-furbishing and retrofitting of existing locations the City will receive a pro-rated invoice and the City will only be charged for the days the approach is operational.

Communications Interface

The Contractor will be responsible for the design, installation, maintenance, and operating costs of any field to office or internal communication linkages necessary to operate the program.

Maintenance

The Contractor shall repair and maintain all field and office equipment necessary to administer the program, including the necessary equipment needed by the City staff to provide contractor oversight. Repairs shall be completed within one (1) business day of written notification that the equipment is not in proper working order. All parts and staff costs should be incorporated into the Contractor's price structure. If a subcontractor is used for maintenance, it must be to a Signal contractor approved by the City.

In the event the contractor is unable to complete activity within one (1) business day of written notification from the City, except for conditions beyond our control (such as pole knockdowns or power outages), the following liquidated damages may be assessed to ACS if the failure renders the system inoperable or incapable of capturing or issuing prosecutable images beyond one (1) business day from written notification from the City. All parts and staff costs should be incorporated into the Contractor's price structure.

On a knockdown, the Contractor shall repair Contractor's equipment within 21 days of written notification by the City as long as all physical infrastructure (conduit, foundation, pullbox, utility meter) can be re-used. During the first 21 days of downtime at this location, the City will be invoiced for 75% of the approach fee for this location. If the contractor does not get the equipment repaired within 21 days, then the City will not be invoiced for this location going forward until the equipment is repaired.

In the event that physical infrastructure is damaged, Contractor will assess damage and confirm its ability to complete repairs within the 21 day timeframe. If due to the severity of the damage to the physical infrastructure, Contractor determines that more than 21 days are needed to complete repairs, Contractor will advise the City. The Contractor and City will meet with the subcontractor to develop a mutually agreed upon estimated time of repair. In this event, 75% proration will continue through to the estimated time of repair, after which if repairs are not complete, the City will not be invoiced for this location until repairs are complete.

In the event the contractor is unable to complete video equipment repair within 24 hours of written notification by the City, the contractor will pay the City \$50 per day per location for a maximum of \$750 per month per location.

Liquidated Damage Formula:

Possible Controllable Violations is calculated by taking the monthly average for the affected location over the prior 12 months, and prorating it to cover the amount of continuous downtime beyond 24 hours of notification from the City

Possible Controllable Violations in Calendar Month at Approach x 90 percent Issuance Rate Standard = # of Expected Notices Mailed in Calendar Month

of Expected Notices Mailed at Approach x Average Collections Rate* = Actual Number of Paid Notices Lost

Actual Number of Paid Notices Lost x \$50 = Penalty Paid by ACS to City of Raleigh

*Collection rate will be based on the actual collection rate for program for the prior 12 months.

Contractor Staffing and Location

The Contractor staffing for administering customer service elements of the program shall be located in office space within the City Limits as approved by the City. The office hours shall be 8:00 AM to 5:00 PM, Monday through Friday (excluding City holidays).

The Contractor will be responsible for providing office space for City oversight staff as part of the contract.

The Contractor maintenance staff is expected to be located within the Raleigh area or sufficiently close to perform repairs within 24 hours of notification.

Performance Standards

At least 90% of the images taken by the cameras and associated video equipment must be of sufficient clarity to capture red light violations. Non-controllable factors such as, but not limited to no plate, plate obstruction, trailer hitch shall not be considered in the calculation of this performance standard. All in-state citations shall be mailed within 2 business days of the date of the red light violation. City observed holidays will be considered non-business days. Ninety-eight percent of all citizen inquiries (written, walk-in, or telephone) shall be resolved by the Contractor.

If during a calendar month the average issuance rate in aggregate for all installed approaches falls below 90 percent, excluding uncontrollable factors as defined in the current program, ACS can be assessed liquidated damages using the liquidated formula outlined below.

Alternatively, if the average issuance rate at an individual intersection approach falls below 80% in a month, excluding uncontrollable factors, the same liquidated damage formula would also be applicable for that individual intersection approach.

An individual intersection approach will not be assessed liquidated damages for both the 90% aggregate and 80% individual formulas in the same month.

Liquidated Damage Formula:

Possible Controllable Violations in Calendar Month x 90 percent (or in the case of an intersection approach basis 80 percent) Issuance Rate = # of Issuable Violations in Calendar Month

Possible Controllable Violations in Calendar Month x Actual Issuance Rate = Actual # of Issued Violations in a Calendar Month

Number of Issuable Violations Mailed – Actual # of Issued Violations = Number of Violations Not Issued

Number of Violations Not Issued x Average Collection Rate* = Actual Number of Paid Violations Not Collected

Actual Number of Paid Violations Not Collected x \$50 = Potential Penalty to be Paid by ACS to City of Raleigh

*Collection rate will be based on the actual collection rate for program for the prior 12 months.

Upgrading from TIMS to e-TIMS

The contractor will upgrade the existing ticket processing and customer information management system from TIMS to e-TIMS. Contractor will ensure that all violation data is successfully converted. Contractor will submit a test plan for City review prior to conversion, and will provide the City a reconciliation package after conversion to demonstrate that every record in the City's TIMS database was successfully converted to eTIMS. e-Tims will incorporate a correspondence imaging subsystem for scanning all incoming correspondence and envelopes to include payments, appeals, transfers of responsibilities and all other inquiries received from the citizens.

Computer Software and Information System Compatibility

Hardware and software provided by the Contractor will be compatible with the City's operating system for information services.

Department of Motor Vehicle Access

Connections will be needed to the Division of Motor Vehicles to obtain motor vehicle registration information. The Contractor will be responsible for access to Department of Motor Vehicle information and access for out of state vehicles. The City will provide documentation necessary to obtain the required authorization to access out-of-state motor vehicle information via Nlets.

Training

The Contractor will work with the City to develop an annual training program for the adjudicators and to provide the necessary training materials. The Contractor will develop and administer a customer service and technical training program for both Contractor and City Staff.

Revenues

Revenues are to be accounted for in accordance with generally accepted accounting principles. The firm will provide a monthly report to the City in a form acceptable to the City Finance department.

Rates

The citation amount for running a red light is set by State statute at \$50.00. A late penalty after 30 days is an additional \$50.00.

Collections

The Contractor shall collect and deposit payments on civil penalties, issued pursuant to the Raleigh City Code. All payments must be mailed to a Raleigh, North Carolina Post Office Box, dropped off at the contractor's customer service center, or the City of Raleigh Municipal Building Revenue Collections. Provisions must also be made to receive payments through the Contractor's web site and pay by phone. Acceptable forms of payment shall include cash, personal checks, money orders, Mastercard®, and Visa®. The Contractor will not be allowed to charge any service fees for the use of credit cards. All revenue from citations will be deposited in an account designated by the City. The Contractor will provide an interactive internet site and a pay by phone option for information and citation payments. Collections shall include referral to a collection agency and the filing of a civil action for collection in the nature of a debt, in accordance with City directed procedures. The contractor will introduce outbound collections calling for delinquent tickets and will work with City staff to re-design the notices for more impact and effectiveness to improve collection rates. The Contractor will actively work towards achieving the City's goal of 80% payment rate.

Adjudication

The Contractor will be required to coordinate the appeal hearings for citizen protests of citations and collect/process appeal hearing deposits.

This will include receiving initial appeal requests, scheduling appeal hearings between the citizen and a hearing board, and providing the hearing board with all background materials pertinent to the appeal. The cost to the Contractor for scheduling these hearings and providing the supporting background information should be incorporated into the Contractor's cost structure.

The Contractor will be responsible for providing a copy of the citation under appeal along with an affidavit designed to authenticate and ensure the admissibility of the citation. The affidavit must be from someone capable of stating facts necessary to qualify the citation as a business record and to establish the reliability of the equipment and processes that produced the citation.

In the event that a court requires the personal appearance of an individual capable of testifying as to the authenticating of the citation as a business record and/or to establish the reliability of the equipment and processes that produced the citation so as to insure the admissibility of the citation, the Contractor will be responsible for satisfying any such court-imposed requirement at no additional cost to the City.

The Contractor will be required to provide a computer interface through an internet connection for the hearing board to review images or video for the Hearing Board.

The Contractor in conjunction with City Officials will be responsible for training of the adjudicators. Training seminars will need to be hosted at least annually for adjudicators and the contractor will provide the training materials for the seminar.

City Oversight

The City Transportation Operations Division will provide an employee who will observe the operations of the Contractor and act as the City's representative, liaison, and project manager. The City's Project Manager or his designee must review and approve all citations before final printing and mailing.

The Contractor must provide an enclosed furnished office on-site for the City's Project Manager. This will include any items necessary for viewing and approving citations.

Customer Service

The Contractor must satisfactorily handle, provide response, and resolve all public inquiries whether written, in person, or by phone about the program, including citations, enforcement, and overall program management in accordance with the City of Raleigh's principles on customer service. The Contractor shall keep a record of all citizens' complaints, the resolution, and the action taken to recontact the complainant. These records shall be retained for the duration of the project, and made available upon request to the City's Project Manager.

Public Information

The Contractor will develop and submit to the City for approval a public information insert on the special collections program. The Contractor will develop and submit to the City a public information program. The public information program will not be a contract cost. It will include, but not be limited to: brochures, videos and internet web site elements. The City will assume all costs of implementing any additional public information program. This does not include the time for the Contractor to participate in planning, development, meetings, and research.

Record Keeping

The firm shall keep true and accurate records of revenue and expenses, and shall provide copies to the City upon request in a form to be determined by the City. All financial records relating to the project shall be made available to a duly authorized representative of the City upon request. Information and data collected shall be stored in a database to enable tracking of citations and the capability to print statistical reports as needed. The Contractor may be requested to maintain other non-financial information as it relates to the project, and as mutually agreed upon. All citation images must be stored for a 5-year period (or as long as may be required by law for the City's retention of public records) on reproducible CD format or equivalent and accessible upon request by the City Project Manager.

Taxes

The Contractor shall be responsible to pay all applicable Federal, State, and Local taxes, which may be chargeable.

Additional Service

The Contractor will agree to add and maintain additional intersections to be monitored, at the direction of the City's Project Manager, at the same unit price agreed to within the contract, including analysis and design as described in the initial installations. The termination fees would apply if there is insufficient time to depreciate the equipment prior to the end of the contract. (refer Exhibit III). If there are unforeseen delays in constructing an additional intersection approach, that are outside the control of the Contractor and City, the City has the right to cancel the installation. In these circumstances the City would be responsible for actual costs expended to date.

Contractor Compensation

This will be a service contract for three (3) years with two (2) one year renewal options (at the City's option). The contract will include all initial equipment and start-up costs and all maintenance costs for both field and office systems. The contract will also include all office equipment and rental costs for both the Contractor and City oversight staff. At the end of the contract period, except for Contractor's proprietary materials, systems, processes, methodologies, software, cameras and camera related

equipment, all other field equipment and office equipment, non-proprietary software/licenses, if any, necessary to administer the system will become the property of the City. At the end of the contract period, Contractor shall remove all equipment and restore the camera sites to pre-contract conditions at no cost to the City.

Unit Prices (See Exhibit 2)

The unit prices for the project will be broken down into 3 components: Intersection Analysis Fee, Intersection Approach Fee, and Relocation Fee. The following unit prices will be used during the life of the project regardless of the number of intersection approaches:

- **Intersection Analysis Price** per intersection (per instance cost) to include providing 16-hour violation counts, accident analysis, and provide installation recommendation. (Refer Exhibit 2).
- **Intersection Approach Fee:** A monthly fixed fee for intersection approach costs, will vary depending on the location. (Refer Exhibit 2). This cost will include, but not be limited to field equipment, installation, maintenance, spare parts, and incremental costs for infrastructure.
- **Relocation Price** (Refer Exhibit 2) Relocation price covers the implementation of Contractor's system at a new location, using equipment that is taken from an existing enforced location (which will be decommissioned). In the event of a relocation under the provisions of this section, Contractor shall remove all equipment and restore the existing camera site to pre-contract conditions at no cost to the City. Price is valid for up to three (3) relocations during contract term, and subject to confirmation via site analysis at each location that there are no major constructability issues that would cause the Contractor's cost to exceed the relocation price. If the City requests the Contractor to relocate four (4) or more sites the Contractor will obtain new subcontractor quotes to determine if existing relocation pricing can be honored.

Interfacing Red Light Enforcement Equipment with Traffic Signal Equipment

The North Carolina Department of Transportation requires that red light enforcement equipment shall be electrically isolated from the traffic signal equipment. Sensing of red indications shall be done with an approved electrically-isolated method at the signal circuit field terminals inside of the controller cabinet. Examples of approved means for sensing are those utilizing "donut" current transformers or Hall-effect devices. No physical connection to any traffic signal circuits is allowed. This includes load switch driver control circuits (24Vdc), and load switch signal circuits (120Vac).

The red light enforcement equipment shall not affect the operation of the traffic signal control equipment.

The red light enforcement equipment shall have its own electrical service. The service shall not be supplied from the controller cabinet and the contractor will be responsible for all costs for electrical service.

EXHIBIT 2
Payment Provisions

| Prices | |
|---|---------------------------|
| Intersection Analysis Fee | Price Per Approach |
| 4 - 9 | \$1,190.00 (one-time) |
| 10 - 19 | \$1,040.00 |
| Relocation Fee | Price Per Approach |
| Relocation price covers the implementation of Contractor's system at a new location, using equipment that is taken from an existing enforced location (which will be decommissioned). Price is valid for up to three (3) relocations during contract term, and subject to confirmation via site analysis at each location that there are no major constructability issues that would cause the Contractor's cost to exceed the relocation price. If the City requests the Contractor to relocate four (4) or more sites the Contractor will obtain new subcontractor quotes to determine if existing relocation pricing can be honored. * | \$45,000.00* |

| Unit Prices | Approach Fee |
|---|------------------------------------|
| Existing GTC-D and Multicam (4) | \$4,260.00 |
| Retrofit Existing GTCD Location to GS11 (5) | \$4,474.00 |
| New GS11 (6) | \$4,474.00 |
| Total Monthly Fee: | \$66,254.00 |
| Option Services Prices | |
| 90 Day Back-Office Extension (Second Notice not Included) | \$2,250.00 Per Camera Per Month |
| Additional Second Notice | \$36.00 Per Approach |

Installation Schedule

The refurbishing of existing GTCD camera locations, and the installation of three (3) new GS11 camera locations will occur within 120 days of contract signing or notice to proceed, whichever one comes earliest.

Base Term Payment

ACS requires a minimum of 29 monthly payments to cover the costs of each approach newly constructed or retrofit with new GS11 cameras. If there are less than 29 months remaining on the base term of the contract excluding options, the total minimum amount owed shall be evenly divided over the remaining months of the base term of the contract.

Option Term Payment

Optional Services - Extension of Back-Office Processing and Customer Service Center Services

Upon expiration of the Contract, the Contractor will process all new events through the system. Services during this 90-day period will include the following:

- Event Review,
- DMV Match-Up
- First Notice Printing and Mailing (Once Approved by the City)

The Contractor will continue to handle all Customer Service requirements, payment processing, adjudication, and collections services for a period of ninety (90) days.

The cost for these services is \$2,250.00 per camera, per month for three (3) months, based on a 15 camera program. The aforementioned cost does not include Second or subsequent noticing. The additional cost for printing and mailing of Second Notices is \$36.00 per approach.

EXHIBIT 3
Termination Fees

Should the contractor be terminated prematurely, the Contractor would be entitled to recover non depreciated capital equipment costs in the first three years not to exceed the following per approach

| Year | Termination Fee Per Installed Approach | | |
|------|--|---------------|--|
| | New Site | Retrofit Site | Refurbished Site |
| 1 | \$152,500 | \$72,000 | Actual Refurbished Cost* |
| 2 | \$101,500 | \$48,000 | 66% of year 1 termination fee for a refurbished site |
| 3 | \$50,750 | \$24,000 | 33.3% of year 1 termination fee for a refurbished site |
| 4 | \$0 | \$0 | \$0 |
| 5 | \$0 | \$0 | \$0 |

*Actual refurbished cost will not exceed \$15,000 for year one, 66% of the year one termination fee for a refurbished site for year 2, and 33.3% of the year one the year one termination fee for a refurbished site for year 3 per section 13.7.

EXHIBIT 4
City of Raleigh
Request for Proposal and Related Addenda

The City of Raleigh *SafeLight* Request For Proposal dated September 7, 2007 and related Addenda are incorporated by reference and forms part of this Agreement as if it were attached hereto.

EXHIBIT 5
ACS State & Local Solutions, Inc. Proposal

ACS State & Local Solutions, Inc. Proposal entitled "Management of the Raleigh *SafeLight* Program" Dated October 5, 2007 is incorporated by reference and forms part of this Agreement as if it were attached hereto.

EXHIBIT 6
Acknowledgment

WASHINGTON
DISTRICT OF COLUMBIA

This is to certify that on the 21 day of August, 2008, before me personally came Paul Webber, with whom I am personally acquainted, who, being by me duly sworn, says that (s)he is the (Assistant) Secretary, and Mark J. Talbot is the Vice President of ACS State & Local Solutions, Inc., the corporation described in and which executed the foregoing instrument; that the seal affixed to the foregoing instrument is said common seal, and the name of the corporation was subscribed thereto by the said (Assistant) Secretary, and that the said (Assistant) Secretary and (Vice) President subscribed their names thereto, and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal this 21 day of August, 2008.

Donna Dixon-Garner
Notary Public

(SEAL)

My Commission Expires: February 28, 2013

DONNA DIXON-GARNER
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires February 28, 2013

Bond Number: CMS240799

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That we, ACS State & Local Solutions, Inc., 1800 M Street, NW, Eighth Floor, Washington, DC 20036, (hereinafter called the Principal), as Principal, and RLI Insurance Company, duly organized under the laws of the State of Illinois, (hereinafter called the Surety), as Surety, are held and firmly bound unto City of Raleigh, P.O. Box 590 222 West Hargett Street, Raleigh, NC 27602, (hereinafter called the Oblige), in the sum of Seven Hundred Ninety Five Thousand Forty Eight and 00/100-----(\$795,048.00) Dollars, for the payment of which sum well and truly to be made, we, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns.

WHEREAS, said Principal has entered into a written Contract with said Oblige, dated October 1, 2008, for Photo Enforcement, in accordance with the terms and conditions of said Contract, which is hereby referred to and made a part hereof as if fully set forth herein:

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, That if the above bounden Principal shall well and truly keep, do and perform each and every, all and singular, the matters and things in said contract set forth and specified to be by said Principal kept, done and performed, at the times and in the manner in said contract specified, or shall pay over, make good and reimburse to the above named Oblige, all loss and damage which said Oblige may sustain by reason of failure or default on the part of said Principal so to do, then this obligation shall be null and void; otherwise shall remain in full force and effect.

FURTHERMORE, Notwithstanding the provisions of the Contract, the term of this bond shall apply from October 1, 2008 until October 1, 2009, and may be extended by the Surety by Continuation Certificate. However, neither non-renewal by the Surety, nor the failure or inability of the Principal to file a replacement bond in the event of non-renewal, shall itself constitute a loss to the obligee recoverable under this bond or any renewal or continuation thereof. The liability of the Surety under this bond and all continuation certificates issued in connection therewith shall not be cumulative and shall in no event exceed the amount as set forth in this bond or in any additions, riders, or endorsements properly issued by the Surety as supplements thereto. In no event shall Surety's aggregate liability exceed the penal sum of this bond.

NO SUIT, ACTION OR PROCEEDING by the Oblige to recover on this bond shall be sustained unless the same be commenced within two (2) years following the date on which Principal ceased work on said Contract.

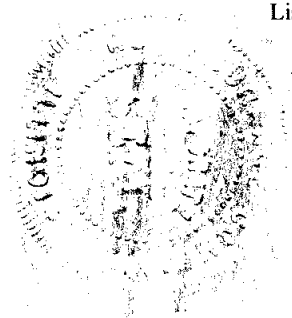
Signed and sealed this 31st day of October, 2008.

ACS State & Local Solutions, Inc.
Principal

By: Paul R. Welby
Asst. Secretary

RLI Insurance Company
Surety

By: Lisa A. Ward
Lisa A. Ward, Attorney-in-Fact





RLI Surety
 9025 N. Lindbergh Dr. Peoria, IL 61615
 Phone: (800)645-2402 | Fax: (309)683-1610

POWER OF ATTORNEY

RLI Insurance Company

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company**, an Illinois corporation, does hereby make, constitute and appoint:

Michael J. Herrod, Wendy W. Stuckey, Margaret Buboltz, Lupe Tamayo, Roger Smiddy, Lisa A. Ward, U. Theresa Gardner, Nancy Thomas, Kathleen M. Meeks, jointly or severally.

in the City of Houston, State of Texas its true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, the following described bond.

Any and all bonds provided the bond penalty does not exceed Ten Million Dollars (\$10,000,000).

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company.

All authority hereby conferred shall expire and terminate, without notice, unless used before midnight of May 22, 2009, but until such time shall be irrevocable and in full force and effect.

The **RLI Insurance Company** further certifies that the following is a true and exact copy of the Resolution adopted by the Board of Directors of **RLI Insurance Company**, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** has caused these presents to be executed by its Vice President with its corporate seal affixed this 22nd day of May, 2007.

State of Illinois }
 County of Peoria } SS



RLI Insurance Company

By: [Signature]
 Roy C. Die Vice President

CERTIFICATE

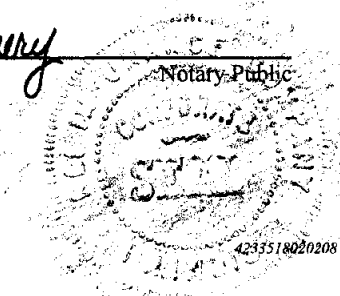
On this 22nd day of May, 2007, before me, a Notary Public, personally appeared Roy C. Die, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

I, the undersigned officer of **RLI Insurance Company**, a stock corporation of the State of Illinois, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** this 31st day of October, 2008.

By: [Signature]
 Cherie L. Montgomery Notary Public

RLI Insurance Company

By: [Signature]
 Roy C. Die Vice President



TO 25

| | | |
|---|---|---|
| ACORD™ CERTIFICATE OF LIABILITY INSURANCE | | DATE (MM/DD/YYYY) 12/1/2008 9/30/2008 |
| PRODUCER LOCKTON COMPANIES, LLC-N DALLAS 717 N. HARWOOD, LB#27 DALLAS 75201 214-969-6700 | 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 1025979 Affiliated Computer Services, Inc. ACS State & Local Solutions, Inc. 2828 N. Haskell Dallas TX 75204 | INSURERS AFFORDING COVERAGE | NAIC # |
| | INSURER A: ACE American Insurance Company | 22667 |
| | INSURER B: Indemnity Insurance Co of North America | 43575 |
| | INSURER C: Lexington Insurance Company | 19437 |
| | INSURER D: | |
| | INSURER E: | |

COVERAGES AFFCO01 AJ THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER AND THE CERTIFICATE HOLDER.

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 LTR | INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS | |
|-------------|-----------|--|---|---------------------------|----------------------------------|-----------------------------------|--|--|
| A | X | | GENERAL LIABILITY | HDO G23740291 | 7/1/2008 | 12/1/2008 | EACH OCCURRENCE \$ 1,000,000 | |
| | | | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 | |
| | | | <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR | | | | MED EXP (Any one person) \$ 5,000 | |
| | | | GEN'L AGGREGATE LIMIT APPLIES PER: | | | | PERSONAL & ADV INJURY \$ 1,000,000 | |
| | | | <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC | | | | GENERAL AGGREGATE \$ 2,000,000 | |
| | | | | | | | PRODUCTS - COMP/OP AGG \$ 2,000,000 | |
| | | | | | | | | |
| A | | | AUTOMOBILE LIABILITY | ISA H07837379 | 7/1/2008 | 12/1/2008 | COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 | |
| | | | <input checked="" type="checkbox"/> ANY AUTO | | | | BODILY INJURY (Per person) \$ XXXXXXXX | |
| | | | <input type="checkbox"/> ALL OWNED AUTOS | | | | BODILY INJURY (Per accident) \$ XXXXXXXX | |
| | | | <input type="checkbox"/> SCHEDULED AUTOS | | | | PROPERTY DAMAGE (Per accident) \$ XXXXXXXX | |
| | | | <input type="checkbox"/> HIRED AUTOS | | | | | |
| | | | <input type="checkbox"/> NON-OWNED AUTOS | | | | | |
| | | | GARAGE LIABILITY | NOT APPLICABLE | | | AUTO ONLY - EA ACCIDENT \$ XXXXXXXX | |
| | | <input type="checkbox"/> ANY AUTO | OTHER THAN EA ACC \$ XXXXXXXX | | | | | |
| | | | AUTO ONLY: AGG \$ XXXXXXXX | | | | | |
| | | | EXCESS/UMBRELLA LIABILITY | NOT APPLICABLE | | | EACH OCCURRENCE \$ XXXXXXXX | |
| | | <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE | AGGREGATE \$ XXXXXXXX | | | | | |
| | | <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> UMBRELLA FORM | \$ XXXXXXXX | | | | | |
| | | RETENTION \$ | \$ XXXXXXXX | | | | | |
| | | | \$ XXXXXXXX | | | | | |
| B A A | | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | WLR C43499117 (ALL OTHER) | 7/1/2008 | 12/1/2008 | <input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER | |
| | | | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? NO | WLR C43499154 (AZ, CA) | 7/1/2008 | 12/1/2008 | E.L. EACH ACCIDENT \$ 1,000,000 | |
| | | | If yes, describe under SPECIAL PROVISIONS below | SCF C42847884 (WI) | 7/1/2008 | 12/1/2008 | E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 | |
| | | | OTHER | | | | E.L. DISEASE - POLICY LIMIT \$ 1,000,000 | |
| C | | | Employer's Excess Indemnity (TX) | EPIC5356336 | 7/1/2008 | 12/1/2008 | \$1M per person; \$10M per occ. | |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Employer's Excess Indemnity coverage provides excess limits over and above the employer's ERISA qualified non-subscriber benefit plan for Texas employees who sustain work related injury or disease. Re: Raleigh SafeLight Program. City of Raleigh, North Carolina is included as Additional Insured on GL where required by written contract.

| | |
|--|---|
| CERTIFICATE HOLDER 3915409 City of Raleigh, North Carolina 222 West Hargett Street Raleigh NC 27602 | CANCELLATION [ACS-GL] 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 |
|--|---|

POLICY NUMBER: HDOG23740291

COMMERCIAL GENERAL LIABILITY
CG 20 26 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - DESIGNATED
PERSON OR ORGANIZATION**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

NAME OF ADDITIONAL INSURED PERSON(S) OR ORGANIZATION(S)

Where required by written contract executed prior to loss

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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Section II - **Who is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

CG 20 26 07 04 ISO PROPERTIES, INC., 2004

EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

EXTRACT FROM BY-LAWS OF COLONIAL AMERICAN CASUALTY AND SURETY COMPANY

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

CERTIFICATE

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the respective By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990 and of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies,

this 7th day of July, 2008.

Ronald F. Haley
Assistant Secretary