

RESOLUTION NO. 17-559

A RESOLUTION PURSUANT TO THE TOWN OF MOUNT CARMEL MUNICIPAL CODE §1-402 AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH BLUE LINE SOLUTIONS, LLC, FOR A PHOTO LASER SYSTEM PROGRAM.

WHEREAS, Mount Carmel Municipal Code §1-202 authorizes the Mayor to enter into contracts; and

WHEREAS, the Town of Mount Carmel wishes to enter into a photo laser system agreement with the the Town of Mount Carmel;

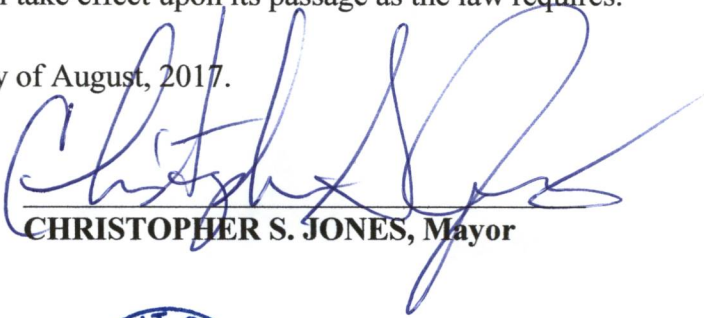
WHEREAS, it is the best interest of the citizens of the Town of Mount Carmel, Tennessee, to enter into such an agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF MOUNT CARMEL, TENNESSEE, as follows:

SECTION I. The Mayor for the Town of Mount Carmel, Tennessee, is authorized to execute on behalf of the Town the Photo Laser System Agreement attached hereto as Exhibit A; and

SECTION II. This Resolution shall take effect upon its passage as the law requires.

A D O P T E D this the 22nd day of August, 2017.


CHRISTOPHER S. JONES, Mayor

ATTEST:


MARIAN SANDIDGE, City Recorder



FIRST READING	AYES	NAYS	OTHER
Alderman Diane Adams	x		
Alderman Eugene Christian	x		
Alderman Margaret Christian	x		
Alderman Wanda Davidson	x		
Alderman Jennifer Williams	x		
Vice-Mayor Carl Wolfe	x		
Mayor Christopher Jones	x		
TOTALS	7	0	0

PASSED FIRST READING August 22, 2017



PHOTO LASER SYSTEM AGREEMENT

THIS AGREEMENT made this 13 day of Sept 2017, between **Blue Line Solutions, LLC** (herein "BLS"), and the City of **Mount Carmel** (herein "City,") a municipal corporation of the State of Tennessee.

WITNESSED:

WHEREAS, BLS has the legal possession and processes, referred to collectively as the "Photo Laser System" (herein "PLS"), and

WHEREAS, City desires to use the PLS to monitor excessive speeding infractions and other potential traffic violations, issue traffic notices of violations and evaluate traffic movement and safety, affirms it has no other such equipment or service provider, and has the right, power and authority to execute this Agreement.

NOW THEREFORE, the parties agree:

1. DEFINITIONS

As used in this Agreement, the following words and terms shall apply:

"**Notice of Liability**" means a notice of liability issued by a competent state or municipal law enforcement agency or by a court of competent jurisdiction relating to an infraction evidenced by the PLS.

"**Person**" or "**persons**" means any individual, partnership, joint venture, corporation, trust, unincorporated association, governmental authority or political subdivision thereof or any other form of entity.

"**PLS**" means Photo Laser System, described as photographic traffic monitoring equipment capable of accurately detecting a traffic infraction and recording such data with images of such vehicle whether manned or unmanned. Systems may include:

- a. Handheld Photo Speed Laser
- b. Trailer Photo Speed Laser
- c. Vehicle Mounted Photo Speed Laser

"**Violation**" means failure to obey an applicable traffic law or regulation, including, without limitation, operating a motor vehicle in excess of the posted speed limit, and operating a motor vehicle without displaying a valid license plate.

2. BLS AGREES TO PROVIDE:

The scope of work identified in Exhibit A.



3. CITY AGREES TO PROVIDE:

The scope of work identified in Exhibit B.

4. TERMS AND TERMINATION

a. The term of this Agreement shall be for four (4) years beginning on the date of the first notice of a liability is issued and payable, and may be automatically extended for one additional two (2) year period at the sole option of City. City may terminate this Agreement at the expiration of any term providing written notice of its intent not to extend the Agreement at least ninety (30) days prior to the expiration of the current term.

Either party shall have the right to terminate this Agreement by written notice:

- i) At any time during this term with written 30 day notice without penalty;
- ii) If applicable law is changed so as to prohibit or substantially interfere with the operation or feasibility of the PLS or the parties' obligations under this Agreement;
- iii) For cause, by either party where the other party fails in any material way to perform its obligations under this Agreement. Termination under this subsection may occur if the terminating party notifies the other party of its intent to terminate, stating the specific grounds therefore, and the other party fails to cure the default within sixty (60) days after receiving notice.

- 1) The City shall maintain responsibility for the equipment issued by BLS under the terms of this Agreement. If the Agreement is not renewed within 15 days of the termination of the Agreement, the city agrees to return all equipment, or assume financial responsibility for non-returned equipment.

b. Upon any termination of this Agreement, the parties recognize that BLS and City will use its best efforts to continue to process any and all pending and legitimate traffic law violations. Accordingly, the parties shall have the following obligations which continue during the termination process: City shall cease using the PLS, shall return or allow BLS to retrieve all equipment to BLS within a reasonable time not to exceed 30 days, and shall not generate further images to be processed. Unless reasonably agreed upon otherwise by both parties, BLS and City shall continue to process all images and notices of violation that occurred before termination in accordance with this Agreement and BLS shall be entitled to all Fees specified in the Agreement as if the Agreement were still in effect.

c. Notwithstanding any provision to the contrary this Agreement terminates automatically upon a determination by any Court of jurisdiction, State or Federal, that the PLS or the underlying Infraction are unconstitutional, illegal or otherwise prohibited. Any legislative act, State or Federal, which prohibits the use of the PLS or the enforcement of the underlying infraction, shall also automatically terminate this agreement.



5. ASSIGNMENT AND EFFECT OF AGREEMENT

Neither party may assign all or any portion of this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed; provided, however, the City hereby acknowledges that the performance of BLS's equipment and obligations pursuant to this Agreement require a significant investment by BLS, and that, in order to finance such investment, BLS may be required to enter into certain agreements or arrangements with financial institutions or other similar entities. The City hereby agrees that BLS shall have the right to assign or pledge its rights under this Agreement in connection with any financing subject to the City's prior written approval, which approval shall not be unreasonably withheld or delayed. The City further agrees that in the event BLS provides written notice to the City that it intends to assign or pledge its rights pursuant to this Agreement, and in the event that the City fails to provide such approval or fails to object within thirty (30) days after its receipt of such notice from BLS, then BLS shall be free to effect such transaction.

This Agreement shall inure to the benefit of and be binding upon all of the parties hereto and their respective executors, administrators, successors and assigns as permitted by law.

6. FEES AND PAYMENT

City shall pay BLS for all equipment, services and maintenance based on the Service Fee schedule indicated in Exhibit C.

BLS shall collect and accumulate all payments to City on a monthly basis and provide proper payment to City on or before the 15th day of the following month. City shall forward to BLS any payments received by City directly from violators within five (5) days of receipt, in order for BLS to process and reconcile all payments due and owing under this Agreement.

7. AVAILABILITY OF INFORMATION

BLS agrees that all relevant information obtained by BLS through operation of the PLS shall be made available to City at any time during BLS's normal working hours upon reasonable notice, excluding trade secrets and other confidential or proprietary information not reasonably necessary for the prosecution of notices of violation or the fulfillment of BLS's obligations to City under this Agreement.

8. CONFIDENTIAL INFORMATION

No information provided by BLS to City will be of a confidential nature, unless specifically designated in writing as proprietary and confidential by BLS. Provided, however, nothing in this paragraph shall be construed contrary to the terms and provisions of any "Open Records Act" or similar laws, insofar as they may be applicable.



9. OWNERSHIP OF SYSTEM

It is understood by the City that the PLS, and all associated hardware and software being provided by BLS is, and shall remain, the sole property of BLS, unless separately procured by City. The PLS is being provided to City only pursuant to the terms of this Agreement. City agrees that it shall not make any modifications to BLS's equipment, nor disassemble or perform any type or reverse engineering to the PLS, nor infringe on any property or patent rights, nor cause or allow any other Person to do any of the foregoing.

10. INDEMNIFICATION AND INSURANCE

City shall at all times comply with all federal, state and local laws, ordinances and regulations. City acknowledges that they reasonably believe the PLS and citation procedures comply with federal, state, and local laws and ordinances. City shall comply with the maintenance procedures and manufacturer recommendations for operation of the PLS equipment.

City shall indemnify and hold harmless BLS against any claims arising from:

- a. Violation of any federal, state and local laws, ordinances and regulations;
- b. Any claims arising from violations that are not the result of BLS's failure to follow proper maintenance procedures and manufacturer recommendations for operation of the equipment;
- c. Any claims as a result of the negligence or willful misconduct of the City, its officers and directors, agents, attorneys, and employees, but excluding any employees or agents of BLS.

The City shall further indemnify, defend, and hold harmless BLS, and its officers, employees, and agents ("BLS indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable attorneys' fees and costs of litigation ("claims"), arising out of the City's performance of its obligations under this agreement or out of the operations conducted by City, including the City's active or passive negligence, or the City's lack of understanding or application of federal, state, or local laws and ordinances in regard to the MPL system and BLS services, except for such loss or damage arising from the sole negligence or willful misconduct of the BLS. In the event BLS indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from the City's or BLS's performance of this agreement or their duty to the citizens within the City's jurisdiction, the City shall provide a defense to BLS indemnitees, or at BLS's option, reimburse the BLS indemnitees their costs of defense, including reasonable attorneys' fees, incurred in defense of such claims.

BLS shall maintain the following minimum scope and limits of insurance:

- a. Commercial General Liability Insurance including coverage for bodily injury, property damage, premises and operations, products/completed operations, personal and advertising injury, with a single limit of \$1,000,000 per occurrence.



BLS shall require any subcontractors doing work under this Agreement to provide and maintain the same insurance.

11. LIMITED LIABILITY

Notwithstanding anything to the contrary in this Agreement, neither party shall be liable to the other, by reason of any representation or express or implied warranty, condition or other term or any duty at common or civil law, for any indirect, incidental, special, lost profits or consequential damages, however caused and on any theory of liability arising out of or relating to this Agreement.

12. FORCE MAJEURE

Neither party will be liable to the other or be deemed to be in breach of this Agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, significant fires, floods, earthquakes, unusually severe weather, epidemics, strikes, or governmental authority approval delays or denials. The party whose performance is affected agrees to notify the other promptly of the existence and nature of any delay.

13. CORRESPONDENCE BETWEEN PARTIES

All notices required to be given under this Agreement shall be deemed provided upon the date postmarked when mailed by first class mail, or by registered mail, and addressed to the proper party at the address set forth in paragraph 19 below.

14. DISPUTE RESOLUTION

Both parties desire all disputes arising out of or in connection with this Agreement to be resolved through good-faith negotiations between the parties, and to be followed if necessary by professionally assisted mediation within 45 days. Any such mediator must be acceptable to each party. The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to attempt to reach an amicable resolution of the dispute. The mediation will be treated as a settlement discussion and remain confidential. Each party will bear its own costs in the mediation and will equally share the fees and expenses of the mediator.



15. ADDITIONAL SERVICES

Additional systems, products, and services may be added to this Agreement by mutual consent of the parties in writing as an addendum to this Agreement. All other terms and conditions shall remain the same. In the event the City agrees to contract with BLS for other services provided, whether or not associated with the program herein, City may authorize BLS to withdraw invoiced amounts on a one time basis, or monthly basis, whichever is chosen by the City, from revenue proceeds as payment for products/services.

16. VALIDITY AND CONSTRUCTION OF TERMS

In case any one or more of the provisions contained in this Agreement shall for any reason by held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision and all remaining provisions of this Agreement shall remain in full force and effect.

17. ENTIRE AGREEMENT

This Agreement replaces any previous agreements and discussions and constitutes the entire agreement between the parties with respect to the subject matters herein. No amendments, modifications, or alterations of the terms herein shall be binding unless the same is in writing and duly executed by the parties.

18. AUDIT RIGHTS

Each party shall have the right to audit the records of the other party pertaining to the Citations issued pursuant to this Agreement solely for the purpose of verifying the accuracy of payments, if any, payable pursuant to this Agreement. Any such audit shall be conducted upon not less than forty-eight hours' notice, at mutually convenient times. The cost of any such audit shall be borne by the party requesting the audit.

19. COVENANT OF FURTHER ASSURANCES

All parties to this Agreement shall, upon request, perform any and all acts and execute and deliver any and all certificates, instrument and other documents that may be necessary or appropriate to carry out any of the terms, conditions and provisions hereto or to carry out the intent of this Agreement.



20. NO AGENCY

The relationship between the parties shall be that of independent contractors, and the employees, agents and servants of either party shall in no event be considered to be employees, agents, or servants of the other party. This Agreement shall not create an agency relationship between BLS and City and neither party may incur any debts or liabilities or obligations on behalf of the other party, except as specifically provided herein.

21. NOTICES

Any notices or demand which under the terms of this Agreement or under any law shall be in writing shall be made by personal service, first class mail, or by certified or registered mail to the parties at the following address:

Notices to Blue Line Solutions
Mark Hutchinson
3903 Volunteer Drive, Suite 400
Chattanooga, TN 37416

Notices to City
Chief of Police
Jeff Jackson
Mount Carmel Police Department
100 Main St E, Mt Carmel, TN 37645

22. COMPLIANCE WITH LAWS

Nothing contained in this Agreement shall be construed to require the commission of any act contrary to law, and whenever there is a conflict between any term, condition or provision of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law, provided it is consistent with the intent of the parties as expressed in this Agreement.



23. STATE LAW TO APPLY

This Agreement shall be construed under and in accordance with the laws of the State of Tennessee.

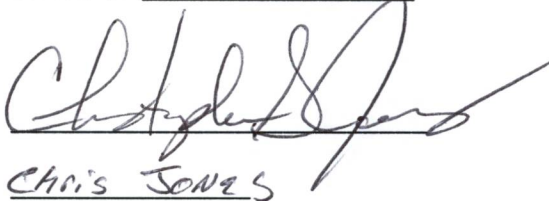
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date accepted by the Customer.

Blue Line Solutions, LLC.

CEO

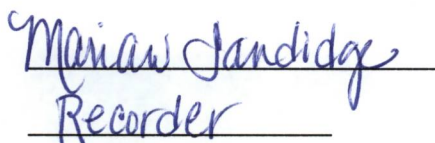
CITY OF Mount Carmel

STATE OF TENNESSEE


Chris Jones

Mayor

Approved and authorized this 22nd day of August, 2017.


Recorder

City Clerk



Exhibit A

BLS Obligations and Scope of Work

1. BLS shall provide the quantities of PLSs equipment as indicated on Exhibit D. From time to time, the parties may agree to add or subtract the number of PLSs to be provided and may modify the location(s) if the parties agree in writing. BLS and City agree that each PLS must be in place and operating a minimum of 40 hours per month in areas of speed safety concern, barring unusual downtime for maintenance, weather, or court order.
2. BLS shall provide an automated, web-based processing program for; all valid Notices of Liability including image processing, mailing of the initial Notice and a reminder Notice, printing and mailing costs. The program shall be conducted in a timely manner to comply with any applicable statute of limitation for filing notices of liability. Subject to the approval and authorization from City's Police Department, each Notice shall be delivered by First Class mail to the registered owner within the agreed or statutory period. City's Municipal Court shall notify BLS of any Notice of Liability where there is no response, and a second reminder Notice, including a late fee as determined by City, shall be sent by First Class mail after the agreed or mandated time period. Subsequent notices or collections notification may be delivered by First Class, Certified Mail-Return Receipt Requested, or by process servers for additional compensation to BLS as agreed by parties.
3. BLS shall provide reasonably available in-state vehicle registration information necessary to issue Notices of Violation resulting from the PLS assuming BLS is authorized to receive such registration data at no additional cost to the Customer.
4. BLS shall provide City's Prosecutor and/or Police Department the ability to view and/or print an Evidence Package and shall include a set of images with related documentation for each notice of violation challenged.
5. BLS shall provide necessary training for persons designated by the City, and provide reasonable public relations resources to City;
6. BLS shall provide an expert witness as reasonably necessary to establish judicial notice for contested violations to establish the accuracy and technical operations of the PLS.
7. BLS shall provide City access to an electronic file with regular updated specific Notices of Liability issued, and shall update the status of all accounts based on the disposition information provided by City, indicating payments received, Notices of Liability outstanding, and cases otherwise closed, dismissed, or resolved.
8. BLS shall provide to City a monthly report of PLS results within fifteen days of the end of each calendar month. The report shall include the following information:
 - i) Total number of violation events.
 - ii) Total number of actionable violation events.
 - iii) Total number of Notices of Liability issued.
 - iv) Total number of Notices of Liability paid.
 - v) Such reports on ongoing operations as are required, or such other reports and documents as are mutually agreed upon between BLS and the City.



9. BLS shall provide all routine maintenance of PLS equipment and timely respond to equipment repairs.
 10. BLS will supply one or more PLS systems to the city under the agreement. BLS reserves the right to decrease the number of systems deployed at any time if each system is not used as required in Exhibit B, Section 1.
 11. In the event the city wishes to utilize part-time, overtime, or hire full time officers to deploy the PLS, the city may request reimbursement from BLS for hours of use in addition to the revenue share.
In the event this option is exercised, the rate of pay shall be:
 - a. Part-time Officer: *(Rate to be set by the city and agreed to by BLS)*
 - b. Full-time Officer: *(Rate to be set by the city and agreed to by BLS)*
 - c. Overtime: *(Rate to be set by the city and agreed to by BLS)*
 - d. Special Detail: *(Rate to be set by the city and agreed to by BLS)*
1. Reimbursement shall apply to only the hours in which the PLS system is utilized.
 2. A work schedule shall be supplied to BLS at the beginning of each month for the intended hours of use by each officer.
 3. The city shall supply BLS with an invoice by the fifth (5th) day of each month for the previous month's hours worked. BLS shall provide 100% reimbursement to the city by the 15th of each month for hours worked the previous month as indicated by the invoice.
 4. The reimbursement program shall not apply to any warning period.
 5. The agency shall be responsible for the cost of hours worked on normal shifts unless the city employs an officer compliant with Exhibit A, 11 (a) or (b).



Exhibit B

City Obligations and Scope of Work

1. Each PLS shall be in place and operating a minimum of 40 hours per month in areas of speed safety concern, barring unusual downtime for maintenance, weather, act of God or court order.
2. City shall diligently prosecute each valid Notice of Liability and collect all fines.
3. City shall cause an authorized officer of the Police Department to carefully review each potential violation captured by the PLS, and shall transmit an electronic signature to each Notice of Liability approved by City. City hereby acknowledges and agrees that the decision to issue a Notice of Liability shall be the sole, unilateral and exclusive decision of the authorized officer in such officer's sole discretion, and in no event shall BLS have the ability or authorization to make a Notice of Liability decision.
4. City shall provide a judge or hearing officer and court facilities to schedule and hear disputed citations;
5. City shall provide customary fine collection services for all final dispositions for contested violations. City agrees to reasonably pursue payments of valid Notices of Liability with service of follow-up letters or summons as required for contested violations.
6. City shall automatically email or fax in an agreed format to BLS with monthly updates of all Notice of Liability disposition information provided by the City indicating payments received or cases otherwise closed, dismissed or resolved for contested violations.
7. City shall provide a project manager or other designated individual with authority to execute Customer's responsibilities under the Agreement.
8. City shall direct its departments to cooperate with BLS with respect to required system and program implementation, and provide reasonable access to City's personnel and facilities in order to permit BLS and City to fulfill the obligations under this Agreement.
9. The City agrees to use due diligence in working with BLS to acquire a timely manner any necessary permits under its control, and approvals or other necessary documentation from the City or other government agency as necessary for the operation of the PLS.
10. City shall provide any necessary municipal permits at no cost to BLS.
11. City shall promptly reimburse BLS for any damage to the PLS equipment caused by City, its employees or authorized agents.
12. As necessary, City shall provide assistance to BLS in obtaining access to vehicle ownership records data, and if requested, provide a letter and support for BLS to use with appropriate licensing bureau agencies indicating that BLS is acting as an authorized agent of City for the purposes of accessing vehicle ownership information on behalf of City.
13. City shall supply adequate office space for the Project Manger within the Police Department. The space shall include a desk, electricity, and operating internet connection.
14. City shall provide locations in which the PLS will be used and ensure compliance with state statutes.



Exhibit C Service Fees

The Customer agrees to pay BLS the Fee(s) as itemized below:

- Revenue shall be shared between the two parties:

The City's portion shall be 50% of all paid citations and BLS's portion shall be 50% of all paid citations.

Payment processing services including web & lockbox: \$3.50 per processed citation/uploaded image from gross receipts. This service fee includes all PLS equipment, installation, maintenance, processing services, first mailed notice, second reminder mailed notice, website and Call Center Support.

- BLS understands that occasionally the City must void citations. BLS will void citations based on requests from an authorized Official of the City. In the event the number of voided citations exceeds twenty five (25) in a given month, a fee of \$2.00 shall be assessed for each voided citation during the month after the 25th void, from gross citation payment receipts.

Fees Charged to Violators

- A credit card processing fee of \$4.90 to be charged to the violator using a credit/debit card (unless prohibited by state statute) for violation payment. Such processing fees shall be collected by BLS during payment of violation.
- A monthly late fee of \$ 91.00 shall be charged to the violator for payments 60 days past due.

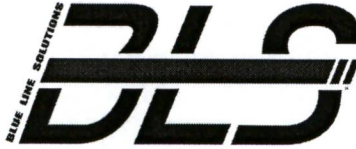


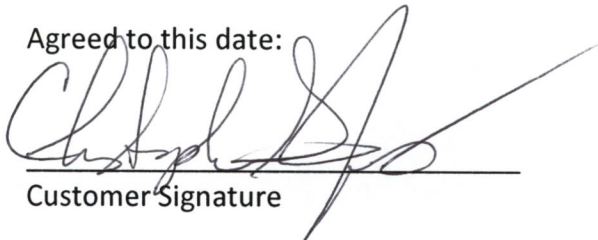
Exhibit D
Number and Locations of PLS Equipment

The number of PLS cameras and equipment, as well as the locations for installation will be determined after a careful analysis by Customer's Police, the Traffic Engineering Department and BLS personnel, considering traffic dynamics, volume and safety assessments on the Customer's roadways. Based on such analysis, BLS and Customer have determined the following:

Number of PLSs to be provided:

(1) Handheld DragonCam Photo Speed Laser Systems. Additional systems may be added without an addendum to this agreement upon agreement by both parties.

Agreed to this date:


Customer Signature

13 Sept. 2017
Date

Blue Line Solutions, LLC Signature

Date

CERTIFICATION

The undersigned hereby certifies that the attached **Resolution No. 17-559 with the attached BLS Photo Laser System Agreement** was duly adopted at a meeting of the Mount Carmel Board of Mayor and Aldermen held on **August 22, 2017**, which meeting was duly and properly convened and a quorum was present throughout such meeting; and such **Ordinance** has not been repealed, amended or otherwise altered as of this date.

Dated: Wednesday, September 13, 2017

Attest:



Marian L. Sandidge
Marian Sandidge, City Recorder

RESOLUTION NO. 17-559

A RESOLUTION PURSUANT TO THE TOWN OF MOUNT CARMEL MUNICIPAL CODE §1-402 AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH BLUE LINE SOLUTIONS, LLC, FOR A PHOTO LASER SYSTEM PROGRAM.

WHEREAS, Mount Carmel Municipal Code §1-202 authorizes the Mayor to enter into contracts; and

WHEREAS, the Town of Mount Carmel wishes to enter into a photo laser system agreement with the the Town of Mount Carmel;

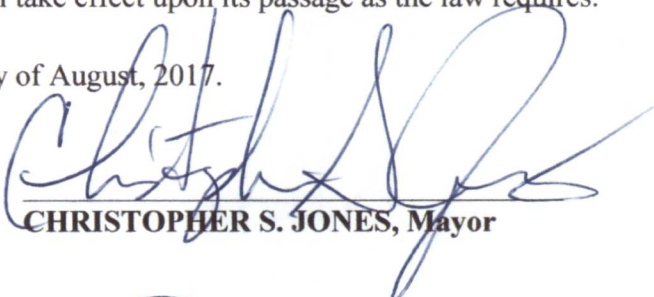
WHEREAS, it is the best interest of the citizens of the Town of Mount Carmel, Tennessee, to enter into such an agreement.

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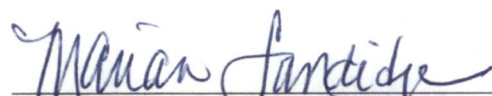
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SECTION II. This Resolution shall take effect upon its passage as the law requires.

A D O P T E D this the 22nd day of August, 2017.


CHRISTOPHER S. JONES, Mayor

ATTEST:


MARIAN SANDIDGE, City Recorder



FIRST READING	AYES	NAYS	OTHER
Alderman Diane Adams	x		
Alderman Eugene Christian	x		
Alderman Margaret Christian	x		
Alderman Wanda Davidson	x		
Alderman Jennifer Williams	x		
Vice-Mayor Carl Wolfe	x		
Mayor Christopher Jones	x		
TOTALS	7	0	0

PASSED FIRST READING August 22, 2017



PHOTO LASER SYSTEM AGREEMENT

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WITNESSED:

WHEREAS, BLS has the legal possession and processes, referred to collectively as the "Photo Laser System" (herein "PLS"), and

WHEREAS, City desires to use the PLS to monitor excessive speeding infractions and other potential traffic violations, issue traffic notices of violations and evaluate traffic movement and safety, affirms it has no other such equipment or service provider, and has the right, power and authority to execute this Agreement.

NOW THEREFORE, the parties agree:

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"**PLS**" means Photo Laser System, described as photographic traffic monitoring equipment capable of accurately detecting a traffic infraction and recording such date with images of such vehicle whether manned or unmanned. Systems may include:

- a. Handheld Photo Speed Laser
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- c. Vehicle Mounted Photo Speed Laser

"**Violation**" means failure to obey an applicable traffic law or regulation, including, without limitation, operating a motor vehicle in excess of the posted speed limit, and operating a motor vehicle without displaying a valid license plate.

2. BLS AGREES TO PROVIDE:

The scope of work identified in Exhibit A.



3. CITY AGREES TO PROVIDE:

The scope of work identified in Exhibit B.

4. TERMS AND TERMINATION

a. The term of this Agreement shall be for four (4) years beginning on the date of the first notice of a liability is issued and payable, and may be automatically extended for one additional two (2) year period at the sole option of City. City may terminate this Agreement at the expiration of any term providing written notice of its intent not to extend the Agreement at least ninety (30) days prior to the expiration of the current term.

Either party shall have the right to terminate this Agreement by written notice:

- i) At any time during this term with written 30 day notice without penalty;
- ii) If applicable law is changed so as to prohibit or substantially interfere with the operation or feasibility of the PLS or the parties' obligations under this Agreement;
- iii) For cause, by either party where the other party fails in any material way to perform its obligations under this Agreement. Termination under this subsection may occur if the terminating party notifies the other party of its intent to terminate, stating the specific grounds therefore, and the other party fails to cure the default within sixty (60) days after receiving notice.

- 1) The City shall maintain responsibility for the equipment issued by BLS under the terms of this Agreement. If the Agreement is not renewed within 15 days of the termination of the Agreement, the city agrees to return all equipment, or assume financial responsibility for non-returned equipment.

b. Upon any termination of this Agreement, the parties recognize that BLS and City will use its best efforts to continue to process any and all pending and legitimate traffic law violations. Accordingly, the parties shall have the following obligations which continue during the termination process: City shall cease using the PLS, shall return or allow BLS to retrieve all equipment to BLS within a reasonable time not to exceed 30 days, and shall not generate further images to be processed. Unless reasonably agreed upon otherwise by both parties, BLS and City shall continue to process all images and notices of violation that occurred before termination in accordance with this Agreement and BLS shall be entitled to all Fees specified in the Agreement as if the Agreement were still in effect.

c. Notwithstanding any provision to the contrary this Agreement terminates automatically upon a determination by any Court of jurisdiction, State or Federal, that the PLS or the underlying Infraction are unconstitutional, illegal or otherwise prohibited. Any legislative act, State or Federal, which prohibits the use of the PLS or the enforcement of the underlying infraction, shall also automatically terminate this agreement.



5. ASSIGNMENT AND EFFECT OF AGREEMENT

Neither party may assign all or any portion of this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed; provided, however, the City hereby acknowledges that the performance of BLS's equipment and obligations pursuant to this Agreement require a significant investment by BLS, and that, in order to finance such investment, BLS may be required to enter into certain agreements or arrangements with financial institutions or other similar entities. The City hereby agrees that BLS shall have the right to assign or pledge its rights under this Agreement in connection with any financing subject to the City's prior written approval, which approval shall not be unreasonably withheld or delayed. The City further agrees that in the event BLS provides written notice to the City that it intends to assign or pledge its rights pursuant to this Agreement, and in the event that the City fails to provide such approval or fails to object within thirty (30) days after its receipt of such notice from BLS, then BLS shall be free to effect such transaction.

This Agreement shall inure to the benefit of and be binding upon all of the parties hereto and their respective executors, administrators, successors and assigns as permitted by law.

6. FEES AND PAYMENT

City shall pay BLS for all equipment, services and maintenance based on the Service Fee schedule indicated in Exhibit C.

BLS shall collect and accumulate all payments to City on a monthly basis and provide proper payment to City on or before the 15th day of the following month. City shall forward to BLS any payments received by City directly from violators within five (5) days of receipt, in order for BLS to process and reconcile all payments due and owing under this Agreement.

7. AVAILABILITY OF INFORMATION

BLS agrees that all relevant information obtained by BLS through operation of the PLS shall be made available to City at any time during BLS's normal working hours upon reasonable notice, excluding trade secrets and other confidential or proprietary information not reasonably necessary for the prosecution of notices of violation or the fulfillment of BLS's obligations to City under this Agreement.

8. CONFIDENTIAL INFORMATION

No information provided by BLS to City will be of a confidential nature, unless specifically designated in writing as proprietary and confidential by BLS. Provided, however, nothing in this paragraph shall be construed contrary to the terms and provisions of any "Open Records Act" or similar laws, insofar as they may be applicable.



9. OWNERSHIP OF SYSTEM

It is understood by the City that the PLS, and all associated hardware and software being provided by BLS is, and shall remain, the sole property of BLS, unless separately procured by City. The PLS is being provided to City only pursuant to the terms of this Agreement. City agrees that it shall not make any modifications to BLS's equipment, nor disassemble or perform any type or reverse engineering to the PLS, nor infringe on any property or patent rights, nor cause or allow any other Person to do any of the foregoing.

10. INDEMNIFICATION AND INSURANCE

City shall at all times comply with all federal, state and local laws, ordinances and regulations. City acknowledges that they reasonably believe the PLS and citation procedures comply with federal, state, and local laws and ordinances. City shall comply with the maintenance procedures and manufacturer recommendations for operation of the PLS equipment.

City shall indemnify and hold harmless BLS against any claims arising from:

- a. Violation of any federal, state and local laws, ordinances and regulations;
- b. Any claims arising from violations that are not the result of BLS's failure to follow proper maintenance procedures and manufacturer recommendations for operation of the equipment;
- c. Any claims as a result of the negligence or willful misconduct of the City, its officers and directors, agents, attorneys, and employees, but excluding any employees or agents of BLS.

The City shall further indemnify, defend, and hold harmless BLS, and its officers, employees, and agents ("BLS indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable attorneys' fees and costs of litigation ("claims"), arising out of the City's performance of its obligations under this agreement or out of the operations conducted by City, including the City's active or passive negligence, or the City's lack of understanding or application of federal, state, or local laws and ordinances in regard to the MPL system and BLS services, except for such loss or damage arising from the sole negligence or willful misconduct of the BLS. In the event BLS indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from the City's or BLS's performance of this agreement or their duty to the citizens within the City's jurisdiction, the City shall provide a defense to BLS indemnitees, or at BLS's option, reimburse the BLS indemnitees their costs of defense, including reasonable attorneys' fees, incurred in defense of such claims.

BLS shall maintain the following minimum scope and limits of insurance:

- a. Commercial General Liability Insurance including coverage for bodily injury, property damage, premises and operations, products/completed operations, personal and advertising injury, with a single limit of \$1,000,000 per occurrence.



BLS shall require any subcontractors doing work under this Agreement to provide and maintain the same insurance.

11. LIMITED LIABILITY

Notwithstanding anything to the contrary in this Agreement, neither party shall be liable to the other, by reason of any representation or express or implied warranty, condition or other term or any duty at common or civil law, for any indirect, incidental, special, lost profits or consequential damages, however caused and on any theory of liability arising out of or relating to this Agreement.

12. FORCE MAJEURE

Neither party will be liable to the other or be deemed to be in breach of this Agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, significant fires, floods, earthquakes, unusually severe weather, epidemics, strikes, or governmental authority approval delays or denials. The party whose performance is affected agrees to notify the other promptly of the existence and nature of any delay.

13. CORRESPONDENCE BETWEEN PARTIES

All notices required to be given under this Agreement shall be deemed provided upon the date postmarked when mailed by first class mail, or by registered mail, and addressed to the proper party at the address set forth in paragraph 19 below.

14. DISPUTE RESOLUTION

Both parties desire all disputes arising out of or in connection with this Agreement to be resolved through good-faith negotiations between the parties, and to be followed if necessary by professionally assisted mediation within 45 days. Any such mediator must be acceptable to each party. The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to attempt to reach an amicable resolution of the dispute. The mediation will be treated as a settlement discussion and remain confidential. Each party will bear its own costs in the mediation and will equally share the fees and expenses of the mediator.



15. ADDITIONAL SERVICES

Additional systems, products, and services may be added to this Agreement by mutual consent of the parties in writing as an addendum to this Agreement. All other terms and conditions shall remain the same. In the event the City agrees to contract with BLS for other services provided, whether or not associated with the program herein, City may authorize BLS to withdraw invoiced amounts on a one time basis, or monthly basis, whichever is chosen by the City, from revenue proceeds as payment for products/services.

16. VALIDITY AND CONSTRUCTION OF TERMS

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision and all remaining provisions of this Agreement shall remain in full force and effect.

17. ENTIRE AGREEMENT

This Agreement replaces any previous agreements and discussions and constitutes the entire agreement between the parties with respect to the subject matters herein. No amendments, modifications, or alterations of the terms herein shall be binding unless the same is in writing and duly executed by the parties.

18. AUDIT RIGHTS

Each party shall have the right to audit the records of the other party pertaining to the Citations issued pursuant to this Agreement solely for the purpose of verifying the accuracy of payments, if any, payable pursuant to this Agreement. Any such audit shall be conducted upon not less than forty-eight hours' notice, at mutually convenient times. The cost of any such audit shall be borne by the party requesting the audit.

19. COVENANT OF FURTHER ASSURANCES

All parties to this Agreement shall, upon request, perform any and all acts and execute and deliver any and all certificates, instrument and other documents that may be necessary or appropriate to carry out any of the terms, conditions and provisions hereto or to carry out the intent of this Agreement.



20. NO AGENCY

The relationship between the parties shall be that of independent contractors, and the employees, agents and servants of either party shall in no event be considered to be employees, agents, or servants of the other party. This Agreement shall not create an agency relationship between BLS and City and neither party may incur any debts or liabilities or obligations on behalf of the other party, except as specifically provided herein.

21. NOTICES

Any notices or demand which under the terms of this Agreement or under any law shall be in writing shall be made by personal service, first class mail, or by certified or registered mail to the parties at the following address:

Notices to Blue Line Solutions
Mark Hutchinson
3903 Volunteer Drive, Suite 400
Chattanooga, TN 37416

Notices to City
Chief of Police
Jeff Jackson
Mount Carmel Police Department
100 Main St E, Mt Carmel, TN 37645

22. COMPLIANCE WITH LAWS

Nothing contained in this Agreement shall be construed to require the commission of any act contrary to law, and whenever there is a conflict between any term, condition or provision of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law, provided it is consistent with the intent of the parties as expressed in this Agreement.



23. STATE LAW TO APPLY

This Agreement shall be construed under and in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date accepted by the Customer.

Blue Line Solutions, LLC.

Mark Hutchinson

CEO

CITY OF Mount Carmel

STATE OF TENNESSEE

Chris Jones

Mayor

Approved and authorized this 22nd day of August, 2017.

Marian Jandridge
Recorder

City Clerk



Exhibit A

BLS Obligations and Scope of Work

1. BLS shall provide the quantities of PLSs equipment as indicated on Exhibit D. From time to time, the parties may agree to add or subtract the number of PLSs to be provided and may modify the location(s) if the parties agree in writing. BLS and City agree that each PLS must be in place and operating a minimum of 40 hours per month in areas of speed safety concern, barring unusual downtime for maintenance, weather, or court order.
2. BLS shall provide an automated, web-based processing program for; all valid Notices of Liability including image processing, mailing of the initial Notice and a reminder Notice, printing and mailing costs. The program shall be conducted in a timely manner to comply with any applicable statute of limitation for filing notices of liability. Subject to the approval and authorization from City's Police Department, each Notice shall be delivered by First Class mail to the registered owner within the agreed or statutory period. City's Municipal Court shall notify BLS of any Notice of Liability where there is no response, and a second reminder Notice, including a late fee as determined by City, shall be sent by First Class mail after the agreed or mandated time period. Subsequent notices or collections notification may be delivered by First Class, Certified Mail-Return Receipt Requested, or by process servers for additional compensation to BLS as agreed by parties.
3. BLS shall provide reasonably available in-state vehicle registration information necessary to issue Notices of Violation resulting from the PLS assuming BLS is authorized to receive such registration data at no additional cost to the Customer.
4. BLS shall provide City's Prosecutor and/or Police Department the ability to view and/or print an Evidence Package and shall include a set of images with related documentation for each notice of violation challenged.
5. BLS shall provide necessary training for persons designated by the City, and provide reasonable public relations resources to City;
6. BLS shall provide an expert witness as reasonably necessary to establish judicial notice for contested violations to establish the accuracy and technical operations of the PLS.
7. BLS shall provide City access to an electronic file with regular updated specific Notices of Liability issued, and shall update the status of all accounts based on the disposition information provided by City, indicating payments received, Notices of Liability outstanding, and cases otherwise closed, dismissed, or resolved.
8. BLS shall provide to City a monthly report of PLS results within fifteen days of the end of each calendar month. The report shall include the following information:
 - i) Total number of violation events.
 - ii) Total number of actionable violation events.
 - iii) Total number of Notices of Liability issued.
 - iv) Total number of Notices of Liability paid.
 - v) Such reports on ongoing operations as are required, or such other reports and documents as are mutually agreed upon between BLS and the City.



9. BLS shall provide all routine maintenance of PLS equipment and timely respond to equipment repairs.
 10. BLS will supply one or more PLS systems to the city under the agreement. BLS reserves the right to decrease the number of systems deployed at any time if each system is not used as required in Exhibit B, Section 1.
 11. In the event the city wishes to utilize part-time, overtime, or hire full time officers to deploy the PLS, the city may request reimbursement from BLS for hours of use in addition to the revenue share.
In the event this option is exercised, the rate of pay shall be:
 - a. Part-time Officer: *(Rate to be set by the city and agreed to by BLS)*
 - b. Full-time Officer: *(Rate to be set by the city and agreed to by BLS)*
 - c. Overtime: *(Rate to be set by the city and agreed to by BLS)*
 - d. Special Detail: *(Rate to be set by the city and agreed to by BLS)*
1. Reimbursement shall apply to only the hours in which the PLS system is utilized.
 2. A work schedule shall be supplied to BLS at the beginning of each month for the intended hours of use by each officer.
 3. The city shall supply BLS with an invoice by the fifth (5th) day of each month for the previous month's hours worked. BLS shall provide 100% reimbursement to the city by the 15th of each month for hours worked the previous month as indicated by the invoice.
 4. The reimbursement program shall not apply to any warning period.
 5. The agency shall be responsible for the cost of hours worked on normal shifts unless the city employs an officer compliant with Exhibit A, 11 (a) or (b).



Exhibit B

City Obligations and Scope of Work

1. Each PLS shall be in place and operating a minimum of 40 hours per month in areas of speed safety concern, barring unusual downtime for maintenance, weather, act of God or court order.
2. City shall diligently prosecute each valid Notice of Liability and collect all fines.
3. City shall cause an authorized officer of the Police Department to carefully review each potential violation captured by the PLS, and shall transmit an electronic signature to each Notice of Liability approved by City. City hereby acknowledges and agrees that the decision to issue a Notice of Liability shall be the sole, unilateral and exclusive decision of the authorized officer in such officer's sole discretion, and in no event shall BLS have the ability or authorization to make a Notice of Liability decision.
4. City shall provide a judge or hearing officer and court facilities to schedule and hear disputed citations;
5. City shall provide customary fine collection services for all final dispositions for contested violations. City agrees to reasonably pursue payments of valid Notices of Liability with service of follow-up letters or summons as required for contested violations.
6. City shall automatically email or fax in an agreed format to BLS with monthly updates of all Notice of Liability disposition information provided by the City indicating payments received or cases otherwise closed, dismissed or resolved for contested violations.
7. City shall provide a project manager or other designated individual with authority to execute Customer's responsibilities under the Agreement.
8. City shall direct its departments to cooperate with BLS with respect to required system and program implementation, and provide reasonable access to City's personnel and facilities in order to permit BLS and City to fulfill the obligations under this Agreement.
9. The City agrees to use due diligence in working with BLS to acquire a timely manner any necessary permits under its control, and approvals or other necessary documentation from the City or other government agency as necessary for the operation of the PLS.
10. City shall provide any necessary municipal permits at no cost to BLS.
11. City shall promptly reimburse BLS for any damage to the PLS equipment caused by City, its employees or authorized agents.
12. As necessary, City shall provide assistance to BLS in obtaining access to vehicle ownership records data, and if requested, provide a letter and support for BLS to use with appropriate licensing bureau agencies indicating that BLS is acting as an authorized agent of City for the purposes of accessing vehicle ownership information on behalf of City.
13. City shall supply adequate office space for the Project Manger within the Police Department. The space shall include a desk, electricity, and operating internet connection.
14. City shall provide locations in which the PLS will be used and ensure compliance with state statutes.



Exhibit C
Service Fees

The Customer agrees to pay BLS the Fee(s) as itemized below:

- Revenue shall be shared between the two parties:

The City's portion shall be 50% of all paid citations and BLS's portion shall be 50% of all paid citations.

Payment processing services including web & lockbox: \$3.50 per processed citation/uploaded image from gross receipts. This service fee includes all PLS equipment, installation, maintenance, processing services, first mailed notice, second reminder mailed notice, website and Call Center Support.

- BLS understands that occasionally the City must void citations. BLS will void citations based on requests from an authorized Official of the City. In the event the number of voided citations exceeds twenty five (25) in a given month, a fee of \$2.00 shall be assessed for each voided citation during the month after the 25th void, from gross citation payment receipts.

Fees Charged to Violators

- A credit card processing fee of \$4.90 to be charged to the violator using a credit/debit card (unless prohibited by state statute) for violation payment. Such processing fees shall be collected by BLS during payment of violation.
- A monthly late fee of \$ 91.00 shall be charged to the violator for payments 60 days past due.



Exhibit D

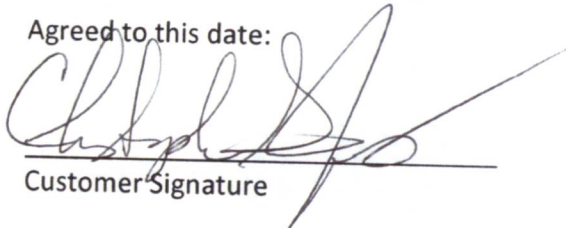
Number and Locations of PLS Equipment

The number of PLS cameras and equipment, as well as the locations for installation will be determined after a careful analysis by Customer's Police, the Traffic Engineering Department and BLS personnel, considering traffic dynamics, volume and safety assessments on the Customer's roadways. Based on such analysis, BLS and Customer have determined the following:

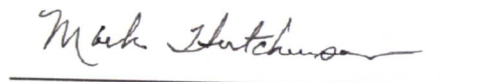
Number of PLSs to be provided:

(1) Handheld DragonCam Photo Speed Laser Systems. Additional systems may be added without an addendum to this agreement upon agreement by both parties.

Agreed to this date:


Customer Signature

13 Sept. 2017
Date


Blue Line Solutions, LLC Signature

Sept. 14, 2017
Date

CERTIFICATION

The undersigned hereby certifies that the attached **Resolution No. 17-559 with the attached BLS Photo Laser System Agreement** was duly adopted at a meeting of the Mount Carmel Board of Mayor and Aldermen held on **August 22, 2017**, which meeting was duly and properly convened and a quorum was present throughout such meeting; and such **Ordinance** has not been repealed, amended or otherwise altered as of this date.

Dated: Wednesday, September 13, 2017

Attest:



Marian L Sandidge
Marian Sandidge, City Recorder