

Memo

TO: City Manager – Dr. Shawn Oubre
FROM: Police Chief – L.L. Martin
SUBJECT: Memorandum of Understanding (MOU) for License Plate Reader
DATE: January 5, 2015

The Orange Police Department would like to obtain a Memorandum of Understanding (MOU) with Vigilant Solutions for a License Plate Reader (LPR).

This MOU, as well as the final agreement, are for the service, equipment, service contract, and other goods and services. The desire by the city is to obtain and operate the LPR at little or no cost to the city. In this case, the city will operate the existing LPR and gain another system to add to the fleet.

An LPR is the camera that you have seen mounted to the roof and trunk of a police car. The LPR is hooked to a computer that is constantly reading vehicle license plates. When a plate with a warrant is identified, the officer then makes a traffic stop and verifies the warrant. At this time, the officer then makes an arrest, tows the vehicle, and books the violator in jail.

This agreement will, at no cost, provide a new second LPR and credit card scanner. The provider adds an additional 25% charge for the point of collection during the traffic stop by using the credit card scanner for payment. The city will get its original traffic charge and warrant charge. The company will get the upcharge which it collects when the credit card is swiped.

This helps the city in a few ways. One, the officer is able to settle the warrant on the street and may not have to wait for family to pick up children or other occupants in the vehicle. Two, the city will not have to pay the daily \$50.00 per day inmate fee at the county jail. Third, the officer will be more productive instead of being tied up with an arrest and booking of prisoner which can take more than an hour to do under normal conditions.

Thanks for your consideration,
Lane Martin

Warrant Redemption Program (WRP) - Pilot, Test, and Evaluation
Memorandum of Understanding

This Memorandum of Understanding (MOU) represents a mutual understanding between **Vigilant Solutions Inc. (Vigilant)** and City of Orange (Agency) regarding the **Pilot, Test and Evaluation** of the warrant settlement / redemption and public safety enhancement program entitled **Warrant Redemption Program (WRP)**.

Definitions:

"Law Enforcement Agency (Agency)" means a law enforcement agency or other applicable governmental agency that has executed a Memorandum of Understanding to participate in the Warrant Redemption Program sponsored by Vigilant.

"Mobile License Plate Recognition System (MLPRS)" means Vigilant's combination software/hardware License Plate Recognition (LPR) system, a customized solution that enables automated reading and warrant "Warrant-List" matching of car license plates passing through LPR video cameras connected to Vigilant provided hardware and software system(s).

"Law Enforcement Archival Reporting Network Server (LEARN Server)" means Vigilant's hosted server application, installed on Vigilant's National LPR server for law enforcement residing in the Washington DC metro area.

"Warrant-List" means an electronic list of outstanding class "C" warrants to be loaded within the MLPRS so that the MLPRS can alert operators when the MLPRS has scanned a vehicle associated with an outstanding warrant. Each Warrant-List record will include as a minimum: 1) vehicle license plate number; 2) vehicle state of registration; and 3) warrant type.

"Pay My Warrants (PMW)" means a web based payment processing gateway and transaction log website integrated with the Vigilant MLPRS for the purposes of processing warrant settlement payments and logging such transactions.

Term of MOU:

Execution of this MOU entitles Agency to receive the WRP Deliverables (defined below), which shall be provided to Agency by Vigilant at no charge. Agency bears no financial responsibility for the WRP Deliverables with regards to acquisition costs, maintenance costs, software update costs, hosted server costs, or any other costs. Agency only needs to install the WRP Deliverables in conjunction with existing agency Mobile Data Computers (MDC), and internet connection (Broadband connection or similar).

WRP Deliverables:

Vigilant will provide the following to each WRP participating agency:

- Vigilant's CarDetector mobile LPR software
- Three mobile LPR cameras, GPS receiver & Power stabilizer (Per MLPRS)
- Single point power wiring kit via cigarette lighter and/or direct to battery connection
- Credit Card Swiper and Receipt Printer – Each USB Connected
- No permanent changes to vehicle electrical systems are required nor does the system draw excessive power

Agency Understandings and Objectives:

The following are the key objectives of the Agency:

- Agency will apply for a Credit Card Processing Merchant Account and become the Merchant of record for all financial warrant settlement transactions - this allows funds to be deposited directly into the Agency's financial account
- Agency shall be willing to receive and, if requested by Vigilant, return the WRP Deliverables provided by Vigilant
- Agency agrees to 'lift' the 'Warrant Value' by of 25 % (Twenty Five Percent), therefore constituting the absconder payee's 'Total Settlement' amount for all warrant settlements via WRP
- The entirety of the 'Total Settlement' amount shall be directly split with Vigilant such that Vigilant shall receive an automated 'Split Funding' of 20% (twenty percent) of the 'Total Settlement' value
- Agency agrees to sign the Credit 'Split-Funding Agreement', found in Exhibit A, therefore authorizing the merchant service provider to directly deposit the 'Split Payment' into a Vigilant designated bank account

Financial Economic Example (Lift = 25% / Split Payment = 20%):

Warrant Value	Lift	Total Settlement	Vigilant Split Payment	Payment to Agency	Vigilant Split Funding
\$ 215.00	25.0%	\$ 268.75	20.0%	\$ 215.00	\$ 53.75

Vigilant Obligation:

The following are the key obligations of Vigilant:

- Vigilant will provide and deliver the WRP Deliverables including all required system software and hardware components (less the required MDC for each MLPRS unit)
- All Credit Card transaction fees and service charges shall be \$0 charge to the Agency and shall be Vigilant's responsibility to be paid from Vigilant's Split Funding

Ownership and Termination:

The WRP Deliverables remain the property of Vigilant. The hardware and software components are owned by and titled to Vigilant. This MOU does not constitute sale of any piece, part or portion of the WRP Deliverables contents. Vigilant retains title and ownership of the software and hardware components related to the WRP Deliverables and all other materials included as part of the WRP Deliverables package.

The MOU shall commence once executed until terminated. Either party, Vigilant or your Agency, may terminate this MOU for its convenience, and in its sole discretion, by providing the other party written notice of termination. No financial commitment by your agency is required to participate in this program and participation has a zero fiscal impact on your agency for acquisition and a positive effect on collections of outstanding warrant and fines due your sponsoring level of government.

Existing Vigilant SLA/ESA Agreements:

In some cases, an existing Vigilant client may have an active Site License Agreement or Enterprise Service Agreement (SLA/ESA) currently in force with Vigilant. In such cases, this MOU will become the prevailing agreement between Vigilant and the Agency with regards to any LPR systems that are in service and operating under the premises of this WRP Program. Existing SLA /ESA benefits will continue without restriction, but the agreement fees will be suspended throughout the term of active participation by the Agency in the WRP program.

Termination:

The MOU shall commence once executed until terminated. Either party, Vigilant or your Agency, may terminate this MOU for its convenience, and in its sole discretion, by providing the other party thirty (30) days prior written notice of termination.

Upon termination of this MOU your Agency will immediately cease all use of WRP Deliverables and will return MLPRS units furnished by Vigilant as WRP Deliverables to Vigilant. Any existing SLA/ESA agreements between Vigilant and the Agency shall remain in force, and any associated fees will reconvene six (6) months subsequent to QRP program Termination.

Authorization:

IN WITNESS WHEREOF, Vigilant the Agency have caused this MOU to be signed on the date set forth below and be effective on the last date specified below.

Provider: Vigilant Solutions, Inc.
Authorization: Joseph L. Harzewski III
Title: Vice President
Date: _____
Signature: _____

Agency: City of Orange
Officer: Shawn Dubne
Title: City Manager
Date: 12/29/14
Signature: [Signature]

Address Correspondence about this document to:

Joe Harzewski - Vice President
Tel: 818-915-8085 / Fax: 925-398-2113
Email: joe.harzewski@vigilantsolutions.com

Exhibit A – SPLIT-FUNDING AGREEMENT

This Split-Funding Agreement ("Agreement") is entered into between Vigilant Solutions Inc. ("Payee") and

City of Orange ("Merchant")

and shall be effective as of the 29 day of December 2014 ("Effective Date").

BACKGROUND: Merchant has executed the Merchant Processing Agreement ("Agreement") by and between "Processor Partner" and Merchant, with services provided by a transaction processor ("Processor") and a card association sponsor bank ("Bank") to provide credit and debit processing services. Merchant has executed an agreement with Vigilant Solutions Inc. ("Payee") that stipulates/requires Merchant direct and pay a percentage of its future credit and debit card receipts to Payee ("WRP MOU") and that Merchant cause Processor Partner and the processor to take certain other actions described in this Agreement.

NOW THEREFORE, in consideration of the foregoing and the mutual promises and conditions contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, Merchant, Processor Partner, and Payee agree as follows:

1. Merchant Authorization. Merchant irrevocably authorizes and instructs Processor Partner to (i) withhold (or cause to withhold) 20% (Twenty percent) of Merchant's daily gross credit and debit card processing receipts ("Split Payment") from deposit into Merchant's Settlement Account and to (ii) redirect and pay (or cause to redirect and pay) such percentage to an account designated by Payee ("Payee Account") until Payee sends written notice to Processor Partner that the Merchant has satisfied its obligations under the WRP MOU.

2. Acknowledgment. Merchant acknowledges that nothing in this Split-Funding Agreement shall relieve Merchant of its obligations or deprive Processor Partner of its rights under the Merchant Agreement.

3. Indemnification. Merchant will indemnify and hold harmless each of Processor Partner, Processor, and sponsoring bank and their respective agents, employees, representatives and their respective successors and assigns harmless from all liabilities, claims, demands, actions or judgments, including but not limited to attorneys' fees, arising out of or resulting from the acts or omissions of the Merchant, its employees, officers, or agents in connection with this Split-Funding Agreement. Each of Merchant and Payee will indemnify, defend and hold Processor Partner from and against all liabilities, losses, claims, damages and disputes suffered or incurred as a result of any actions in reliance on the terms of this Split-Funding Agreement or otherwise in connection with the Agreement.

4. Term and Termination. This Agreement shall commence on the Effective Date and shall continue in force until Payee sends written notice to Processor Partner, that the Merchant has satisfied its obligations under the WRP MOU.

5. General. If any provision of this Agreement is declared invalid or otherwise unenforceable, the enforceability of the remaining provisions shall be unimpaired, and the parties shall replace the invalid or unenforceable provision with a valid and enforceable provision that reflects the original intent of the parties as nearly as possible in accordance with applicable law. This Agreement together with the Merchant Processing Agreement contains the full and complete understanding of Payee and Merchant regarding the matters described in this Split-Funding Agreement and supersedes all prior agreements and understandings between the parties with respect to the entire subject matter. This Split-Funding Agreement shall be governed by Texas law. The sole and exclusive venue for hearing disputes under this Agreement shall be the state or federal courts of Orange County, Texas. This Split-Funding Agreement shall be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns, and to the benefit of Payee.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date set forth above:

Payee: Vigilant Solutions Inc.
By: Joseph L Harzewski III
Title: Vice President
Signature: _____
E-Mail for Notices: joe.harzewski@vigilantsolutions.com

Merchant: City of Orange
By: City Manager
Name: Shawn Martin
Signature: Shawn Martin
E-Mail for Notices: mzeib@orange.tx.org
1martin@orangepd.com

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE
A MEMORANDUM OF UNDERSTANDING WITH VIGILANT SOLUTIONS
INC. FOR A LICENSE PLATE READER - WARRANT REDEMPTION
PROGRAM.**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE, TEXAS:

That the City Manager is hereby authorized to execute a Memorandum of Understanding with Vigilant Solutions Inc. for a license plate reader - Warrant Redemption Program. This Memorandum of Understanding, as well as the final agreement, are for the service, equipment, service contract, and other goods and services.

PASSED, APPROVED and ADOPTED on this the 13th day of January 2015.

Jimmy Sims, Mayor

ATTEST:

Rhonda Haskins, City Secretary

APPROVED:

City Attorney