

cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 1
August 11, 2008

SUBJECT: Approval of a Real-Time GPS Vehicle Fleet Asset Monitoring, Management, & Reporting Service in the amount of \$12,200 to Remote Dynamics, Inc. for a one-year service period.

SUBMITTING DEPARTMENT: Information Technology / Community Development

CITY MANAGER APPROVAL:

EXPENDITURE REQUIRED	\$12,200
AMOUNT BUDGETED	\$12,200
APPROPRIATION REQUIRED	N/A
LINE ITEM NUMBER	101-371.00-802.000

BACKGROUND INFORMATION:

The venture team assigned to this project has identified different approaches used by both public and private sector organizations for vehicle fleet management and monitoring activities. Municipal governments have successfully used this technology to account for vehicle use while upholding public accountability while delivering services, to provide comprehensive vehicle maintenance reporting, improve employee safety, and promote efficient vehicle operation to reduce vehicle operations and maintenance costs.

Company Name	Quote	Performance Criteria Achieved
Discreet Wireless	\$ 10,334	21 of 24
Remote Dynamics	\$ 12,200	23 of 24
Owners Eye View	\$ 16,160	21 of 24
Fleetboss	\$ 16,304	22 of 24

The venture team co-leaders thoroughly researched eight, GPS fleet monitoring and management service providers in both the private and public sectors. This list of eight was reduced to four providers who each provided a comprehensive web demonstration of their service. Following the demonstration, each provider was scored using 24 performance criteria developed by the team. Remote Dynamics, Inc. was found to present the most comprehensive package by meeting 23 of 24 performance criteria to best meet the City's operational requirements.

Discrete Wireless was not able to meet the City's minimum requirements in providing a historical archive of all asset positioning data over a 12 month period as part of its standard service offering. It also only provided two web user access accounts as part of its standard service package while the City identified a minimum of four needed during the initial service period. Additionally, Discreet was not able to provide a user access report indicating which users had been logging into the web system over any specified time period. Remote Dynamics provides support for all three of these requirements by providing a 12-month historical archive, an unlimited number of user access accounts, and user access reporting over the 12-month duration. The other vendors were deficient in meeting the greatest number of requirements in addition to being more costly to implement and manage.

The venture team recommends a contract award of \$12,200 to Remote Dynamics, Inc. This will include all hardware, wireless data service, web-hosting, staff training, installation, and technical support for a one-year period. Funding for this project was approved in the FY 08-09 budget and will not require a budget amendment.

The City Police and DPW staff mechanics will participate in a training and certification process administered by Remote Dynamics. The mechanics will install the specialized equipment in each vehicle in the Community Development Department. The selected vendor solution will log the vehicle asset location every minute while each of the 16 vehicles is in operation. When the vehicles are off, a position will be reported every six hours. Using a standard Internet browser and secure login, designated City staff will be capable of reviewing travel history for each vehicle over a one-year period. The attached memorandum more fully describes the types of comprehensive reporting in greater detail.

Remote Dynamics will be charging the City a service fee of \$29 per mobile unit for each month over the term of the agreement. The Community Development fleet presently consists of 16 vehicles which calculates to a monthly cost of \$494 or \$5,568 per year. At this time the City has negotiated a one-year service agreement.

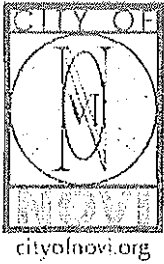
The venture team assigned to this project will implement the asset monitoring, management and reporting system in partnership with Community Development staff. The venture team will be prepared to formally recommend an expansion of this GPS monitoring solution to vehicles in other City departments in the future.

RECOMMENDED ACTION: Approval of a Real-Time GPS Vehicle Fleet Asset Monitoring, Management, & Reporting Service in the amount of \$12,200 to Remote Dynamics, Inc. for a one-year service period.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Crawford				
Council Member Gatt				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

MEMORANDUM



TO: CITY COUNCIL MEMBERS
FROM: CHRISTOPHER BLOUGH, GIS MANAGER – VENTURE TEAM LEAD
KEITH WUOTINEN, POLICE LIEUTENANT – VENTURE TEAM CO-LEAD
SUBJECT: REAL-TIME GPS VEHICLE FLEET ASSET MONITORING,
MANAGEMENT, AND REPORTING SYSTEM
DATE: JULY 29, 2008

CAB
7/31/08
To: Mayor and City Council Members
Item forthcoming. *[Signature]*

The City's Venture Team assigned to the GPS Fleet Asset Monitoring, Management, and Reporting System is seeking your approval to implement a solution incorporating GPS receivers, mobile data communications, and Internet technology to monitor and manage our City's vehicle fleet. Municipal governments have successfully used this technology to account for vehicle use while upholding public accountability while delivering services, to provide comprehensive vehicle maintenance reporting, improve employee safety, and promote efficient vehicle operation to reduce vehicle operations and maintenance costs. Our team's research has found the communities in Auburn Hills, Bloomfield Township, Detroit, Ferndale, Romulus, and Livonia are currently benefiting from GPS monitoring systems. Additionally, the Oakland County Drain Commissioner's Office, Flint Public Schools, and Michigan Department of Transportation are also using this technology to support their operations.

Venture Team's Mission Statement: *Our mission is to implement a vehicle monitoring and reporting system for the Community Development Department that provides vehicle usage information serving as a management and safety resource which can be extended to service vehicles in other City departments.*

The public benefits of a City GPS Vehicle Monitoring, Management, and Reporting System include, but are not limited to, the following:

- 1. Uphold Citizen Trust and Public Resource Accountability:** Our City staff members are dedicated to service the needs of the Novi community and we are often called upon to demonstrate that staff is on-site and present when performing duties in the field. A GPS system provides a means to verify service time, providing the City an objective back-up resource should the actual vehicle location need to be verified. Time in transit to a location and time at a job site can be verified and described as necessary.
- 2. Vehicle Maintenance Management/Reporting:** The GPS fleet management solution will help us know when vehicles are due for regular maintenance based upon the

mileage or time period elapsing from the previous service for each vehicle in the fleet. It will also allow us to report the cumulative service cost by individual vehicle, department vehicles, or the entire City vehicle fleet. Reporting can be provided over any time period spanning an entire fiscal year.

3. **Employee & Vehicle Safety:** Should a vehicle be reported as missing or stolen, the GPS fleet tracking system can reveal its location in real-time so it can be recovered. Regardless of whether the vehicle ignition is on/off, the vehicle position can be determined with this system upon request. If a vehicle is not returned to the fleet parking area by the conclusion of the work day, supervisors can be alerted to a possible emergency situation and confirm the status of the staff members on their team. If a vehicle leaves the vicinity of Novi, an alert can be sent to the employee's supervisor informing them they are beyond the City's limits.
4. **Increased Efficiency & Reduce Vehicle Operations & Maintenance Costs:** Vehicles represent a major investment by the City and this system can provide a resource to determine the fuel cost, vehicle cost, travel distance, travel time, and vehicle depreciation over a specified time period. This information can be automatically reported to the City's Finance Department for standardized reporting and monitoring activities which can be scheduled as frequently as necessary.

Recommendation Summary: Remote Dynamics, Inc. presents the most complete package meeting the City's requirements. Pricing for the solution is within the available project budget to cover all 16 vehicles in the Community Development Department. Secret Wardle is currently reviewing contract language submitted by Remote Dynamics and will have completed its review in advance of the August 11th Council Meeting. The venture team will recommend a contract award of \$12,200 which will include all hardware, wireless data service, web-hosting, staff training, installation, and technical support for a one-year period. Funding for this project was approved in the FY 08-09 budget and will not require a budget amendment. The vehicle GPS installations and web reporting service is scheduled to go live in early September. Our venture team will assist the Community Development Department to fully implement the system to satisfy operational requirements throughout the second quarter. A final project report detailing the implementation and review of this service will be submitted as a final, venture team deliverable to City Council on or before February 28th, 2009.



REDview™ PURCHASE & SERVICE AGREEMENT

Dee Wood/Kena Rogers
 Regional Sales Manager
 Cell: 214-417-6614
 Office: 214-440-5224
 Fax: 972-423-1620

CUSTOMER'S LEGAL NAME: City of Novi	MASTER CONTRACT#:
--	--------------------------

CUSTOMER BILLING INFORMATION

BILLING ADDRESS (CITY, COUNTY, STATE, ZIP CODE): 45175 West 10 Mile Rd, Novi, MI 48375 ATTN: Accts. Payable		
SHIPPING ADDRESS (CITY, COUNTY, STATE, ZIP CODE): same		
PHONE: 248-347-0465	FAX:	E-MAIL: cblough@cityofnovi.org
BILLING CONTACT: Maureen Trombley	TITLE: Customer Service Rep.	

REDview™ MOBILE UNITS

DESCRIPTION	PART NO.	QUANTITY	PURCHASE PER UNIT PRICE	GRAND TOTAL
REDview™ MOBILE UNIT (Includes Standard Mobile Unit Installation & Standard Web-Based Training)		16	\$377(self-installed)	\$6032.00
OTHER one-time certification fee			\$600	\$600.00

WEBHOST SUBSCRIPTION SERVICE, OTHER PRODUCTS & SERVICES

DESCRIPTION	QUANTITY	PER UNIT MONTHLY SUBSCRIPTION FEE	GRAND MONTHLY TOTAL
WEBHOST SUBSCRIPTION FEE PER REDview™ MOBILE UNIT – INITIAL TERM: 12 (twelve) months	16	\$29.00	\$464.00
OTHER: software enhancement as specified by customer		\$0.00	

EXTENDED LIMITED WARRANTY

EXTENDED LIMITED WARRANTY: <input type="checkbox"/> 1 Year Extension <input type="checkbox"/> 2 Year Extension		
OTHER: 36 Months		

Customer has read and accepted the Terms and Conditions contained on pages 1 through 3 of this Agreement. Customer represents and warrants that Customer is acquiring the equipment, software licenses and services for commercial purposes only. Customer represents that the information provided by Customer above is true and correct and consents to use of this information by Remote Dynamics, Inc. for a credit check through various credit reporting agencies or other businesses available to furnish information on Customer's behalf. Customer's execution of this Agreement merely constitutes an offer by the Customer to purchase equipment, software licenses and services from Remote Dynamics, Inc. This Agreement will not become a binding contract until accepted and signed by a corporate officer of Remote Dynamics, Inc.

CUSTOMER: City of Novi

REMOTE DYNAMICS, INC.:

Signed by: X
Name: _____
Title: _____
Date: _____

Signed by: _____
Name: _____
Title: _____
Date: _____



This REDiView Equipment & WebHost Subscription Agreement ("Agreement"), is by and between Remote Dynamics, Inc. ("REDI") and the Customer as named in the "Customer Billing Information" section.

- 1) **Payment Terms.** Customer agrees to pay any charges due hereunder within thirty (30) days of the date of REDI invoice. All payments shall be due and payable to REDI at P.O. Box 970779, Dallas, Texas 75397-0779.
- 2) **Limited Warranty & Limitation of Liability: Products.** REDI'S PRODUCTS ARE COVERED BY A LIMITED WARRANTY FOR PARTS AND LABOR AS SET FORTH IN PARAGRAPH 14 BELOW. CUSTOMER HEREBY AGREES THAT REDI'S LIABILITY FOR ANY BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY OR OTHER LIABILITY ARISING OUT OF THIS AGREEMENT SHALL BE LIMITED TO THE REPAIR OR REPLACEMENT OF ANY DEFECTIVE PART(S) OF THE PRODUCTS PURCHASED HEREUNDER. CUSTOMER HEREBY AGREES THAT REDI HAS MADE NO WARRANTIES REGARDING THE FITNESS OF ANY PRODUCTS FOR A PARTICULAR PURPOSE. CUSTOMER HEREBY WAIVES ALL OTHER WARRANTIES, GUARANTEES, CONDITIONS OR LIABILITIES, EXPRESS OR IMPLIED, ARISING IN LAW OR IN EQUITY. IN NO EVENT SHALL REDI BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES OR LOST PROFITS, WHETHER OR NOT ARISING OUT OF THE NEGLIGENCE OF REDI, EVEN IF REDI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES RESULTING FROM THE INTERRUPTION OR FAILURE IN THE OPERATION OF ANY PRODUCTS PURCHASED HEREUNDER.
- 3) **Taxes.** The City of Novi is a tax-exempt organization and will not be liable for local, state, or federal taxes.
- 4) **Installation/Training Services.**
 - a) **Product Installation.** Installation charges set forth on page 1 of this Agreement apply only to installations scheduled and conducted between 12:00 Noon and 12:00 Midnight, Monday through Friday ("Normal Business Hours"). Customer will be charged \$225.00 per hour for installations scheduled and conducted outside of Normal Business Hours.
 - b) **No Show Charges.** In order to cancel a scheduled installation and/or training session, Customer must fax written notice to REDI Customer Care at least twenty-four (24) hours prior to scheduled appointment. If Customer fails to provide REDI with at least twenty-four (24) hours written notice of cancellation, Customer shall be charged a No Show Fee in the amount of \$125.00 per hour for each hour that Customer's equipment and/or personnel are not available at the scheduled time resulting in the delay or postponement of the installation and/or training by REDI. This No Show Fee shall not exceed the sum of \$500.00 per day.
 - c) **Mileage Charges; Scheduling.** In the event that REDI certified technicians must travel more than four hundred (400) miles (round-trip) to reach the Customer site, Customer will be charged \$0.70 each mile in excess of 400 miles. Customer agrees that installation and training services are available Monday through Friday only. Customer agrees to schedule installation and training services at least five (5) days in advance of the date(s) of service requested.
- 5) **Limited Installation Liability: Installation & Training Services.** PAYMENT OF DAMAGES BY REDI FOR DEFECTIVE INSTALLATION OR INSTALLER NEGLIGENCE IS LIMITED TO RE-INSTALLATION OF THE PRODUCT WITHOUT INSTALLATION CHARGES AND REPLACEMENT OF THE PRODUCT WITHOUT CHARGE IF REDI'S DEFECTIVE INSTALLATION IS THE PRIMARY CAUSE OF PRODUCT'S FAILURE. REDI WILL NOT BE RESPONSIBLE FOR ANY OTHER DAMAGES TO PERSONS OR PROPERTY CAUSED BY DEFECTIVE INSTALLATION OR INSTALLER NEGLIGENCE. REDI IS NOT RESPONSIBLE FOR DAMAGE TO VEHICLES, PRODUCTS OR ANY OTHER PERSONS OR PROPERTY CAUSED BY CUSTOMER'S DEFECTIVE SELF-INSTALLATIONS.

Limitation of Liability and Exclusive Remedy for Webhost Service & Enhanced Services. (a) Customer agrees that the liability of REDI, if any, for interruptions, delays, and failures in transmission of service to Customer (except for Customer's own negligence or misconduct, for which Customer shall be solely liable), is limited solely to the allowance of a credit in the form of prorated adjustment for no more than the charges billed for the period of time during which service was not available; (b) REDI SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS OR INCOME ARISING DIRECTLY OR INDIRECTLY FROM ANY ACTION OR FAILURE TO ACT BY REDI, AS THE CASE MAY BE, WHETHER OR NOT REDI HAD ANY KNOWLEDGE THAT SUCH DAMAGES MIGHT BE INCURRED; (c) REDI SHALL NOT BE RESPONSIBLE FOR DAMAGES DUE OR

ATTRIBUTABLE TO ANY SERVICE, PRODUCTS OR ACTIONS OF ANY PERSON OTHER THAN REDI OR ITS EMPLOYEES.

- 7) **Financial Securement of Account.** REDI secures appropriate credit information on all new customers who request the Enhanced Services in conjunction with the Units. Upon REDI's completion of the credit evaluation, service order processing and accounting activation will be initiated for approved customers. Customer may be required to secure its account with a deposit. The security payment will not be applied to ongoing billing charges, but will be held by REDI, to ensure continuous payment and, at the discretion of REDI, may be applied to delinquent payments. The fact that an advanced payment has been made neither relieves the customer of payment for bills, nor constitutes a waiver or modification of REDI's ability to terminate service for non-payment.
- 8) **Force Majeure.** REDI shall not be responsible for any delay or failure in the provision of the Enhanced Services or any service relating to the Units to the extent that such delay or failure is caused by fire, flood, explosion, war, strike, embargo, government requirement, civil or military authorities, acts of God or by the public enemy, acts or omissions of cellular or non-cellular carriers or other causes beyond the control of REDI. If any force majeure condition occurs, REDI shall provide prompt notice to Customer. During the pendency of the force majeure condition, the affected respective duties of REDI shall be abated and shall resume without liability thereafter.
- 9) **Early Termination of Agreement.** REDI may refuse to provide or discontinue Customer's service without notice (a) in the event of Customer's insolvency, the appointment of a receiver of Customer's assets, Customer's voluntary or involuntary bankruptcy, assignment for the benefit of creditors or sale of substantially all of Customer's assets; (b) if Customer uses the Enhanced Services in such a manner as to adversely affect the provision of such service to others or in violation of any FCC rules or regulations; (c) upon Customer's failure to remit payment to REDI under this Agreement when such payment is due. REDI reserves the right to interrupt Customer's service without notice until the above conditions are remedied to the satisfaction of REDI. REDI also reserves the right to charge Customer an amount equal to the cost incurred by REDI in performing any service interruptions necessitated by the conditions specified above.
- 10) **WebHost Service Subscription.** Customer shall purchase from REDI a subscription which permits Customer to access REDI's password-protected website at <http://rediview.remotedynamics.net> (the "Website") to utilize REDI's REDiView WebHost Software (the "Software"). The Software will collect data generated by Customer's Units ("Customer's Data") and display such data for Customer in conformance with the User Documentation available for use by Customer on the Website. Customer may also download Customer's Data to Customer's site for Customer's internal use only. Customer acknowledges that REDI shall only be obligated to store and maintain Customer's Data on the Website for three hundred and sixty-five (365) days from initial collection from the Units and such portions of Customer's Data initially collected from the Units more than three hundred and sixty-five (365) days prior thereto, in REDI's sole discretion, will be deleted no earlier 12:00 a.m. each day.
 - a) **Software License.** Effective during the Initial Term of this Agreement, REDI hereby grants to Customer, and Customer accepts, a limited, non-assignable, nonexclusive license to access the Website and to use the REDI REDiView WebHost Software in machine-readable, object code form only (collectively referred to as the "Software"), and the accompanying User Documentation, only as authorized in this Agreement (the "License"). Customer may only use the Software and User Documentation by accessing the Website. Customer agrees that Customer will not assign, sublicense, transfer, pledge, lease, rent, or share Customer's rights under this License. Customer agrees that Customer may not reverse assemble, reverse compile, or otherwise translate the Software.
 - b) **Customer Requirements to Access the Website.** Customer agrees that it will obtain at Customer's expense access to the World Wide Web (the "INTERNET") which Customer acknowledges is necessary to allow Customer to access the Website. Customer further acknowledges that in order to access the Website, Customer is responsible for providing at Customer's expense a personal computer with a minimum 56 kbps modem, with Internet Explorer version 6.0 SP1 browser software loaded and capable of displaying a screen resolution of 1024 x 768 or better.
 - c) **WebHost Subscription Fee/Billing & Payment.** Customer shall pay to REDI the WebHost Subscription Fee set forth on page 1 of this Agreement for each Unit for each month during the Initial Term which shall commence upon installation of the Units. Customer has the right to terminate the agreement upon sixty (60) days advance written notice. At the expiration of the Initial Term, Customer has the right to renew upon a minimum of ninety (90) days written notice prior to the initial termination of the initial term. Termination may also occur as a result of Customer default described in paragraph 11 above. Customer will be responsible for all charges up to and including the date of termination. REDI will render to Customer a monthly bill for the Subscription Fees. Customer's bills for service will be due and payable within

thirty (30) days of date of the REDI invoice. All payments shall be due and payable to REDI at P.O. Box 970779, Dallas, Texas 75397-0779. Customer hereby grants to REDI a security interest in such Units and in the proceeds thereof to the extent of the unpaid portion of any fees due under this Agreement. REDI shall have all rights under applicable law regarding this security interest. At REDI's request, the Customer shall provide properly executed documents evidencing REDI's interest in such Units and in the proceeds thereof, including, but not limited to, a properly executed UCC-1 Financing Statement.

d) **Provision of Service.** REDI will provide enhanced data services ("Enhanced Services") to Customer for use with Customer's Units which allow the Units to transmit data to the Web Host for retrieval by Customer. Enhanced Services are available to Customer's vehicles equipped with Units on a nationwide basis when within the REDI service coverage areas. REDI, at Customer's request, will provide a list or map of REDI service coverage areas.

e) **REDI's Rights.** Customer acknowledges and agrees that the Software and the User Documentation are proprietary products of REDI protected under U.S. copyright law. Customer further acknowledges and agrees that all right, title, and interest in and to the Software, including associated intellectual property rights, are and shall remain with REDI. This License does not convey to Customer an interest in or to the Software or the User Documentation, but only a limited right of use revocable in accordance with the terms of this License.

f) **Limitation of Liability for Software.** REDI's cumulative liability to Customer or any other party for any loss or damages resulting from any claims, demands, or actions arising out of or relating to this License shall not exceed the Subscription Fee paid to REDI for the use of the Software and User Documentation. In no event shall REDI be liable for any indirect, incidental, consequential, special, or exemplary damages or lost profits, even if REDI has been advised of the possibility of such damages.

g) **Proprietary Rights; Confidentiality.** Customer acknowledges that the Software and User Documentation, including associated report formats, screen displays, and menu features, constitute copyrighted works protected by federal and international copyright laws. Customer shall not permit any personnel to remove any proprietary or other legends or restrictive notices contained or included in any materials provided by REDI, and Customer shall not permit any personnel to copy or modify any such materials except as specifically authorized hereunder. Customer shall not use or disclose any confidential information supplied by REDI relating to the Software and User Documentation except as required to operate the Software in accordance with this Agreement. Any disclosure of such confidential information to agents or employees by Customer shall be made only in the normal course of business, on a need-to-know basis within the scope and purpose of this Agreement, and under written agreements requiring such agents or employees to treat all such information as strictly confidential. Customer shall not make copies of any materials containing such information, except as authorized in writing by REDI.

h) **Restricted Access to Customer Data; Limitation of Liability.** REDI shall use reasonable and customary methods including 128 bit encrypted website access; username and password to restrict unauthorized users from accessing Customer's data. Customer acknowledges that Customer's Data may be intercepted, corrupted, inaccurate or invalid as a result of transmission over the various interconnected networks and servers of the INTERNET. Customer further acknowledges that network and/or server problems with the INTERNET may prevent Customer from accessing the Website. REDI makes no warranties of any kind, either express or implied, regarding the privacy, quality, accuracy, or validity of Customer's Data residing on the Website or the ability of Customer to access the Website via the INTERNET. Use of the INTERNET to access the Website and use of the Website to store and access Customer's Data is at Customer's own risk. **UNDER NO CIRCUMSTANCES SHALL REDI'S LIABILITY FOR REDI'S DEFAULT IN PROVIDING WEBHOST SERVICE SERVICES EXCEED THE WEBSITE SUBSCRIPTION FEES PAID BY CUSTOMER TO REDI FOR THE PREVIOUS TWELVE MONTHS. UNDER NO CIRCUMSTANCES WILL REDI BE LIABLE FOR LOST PROFITS OR CONSEQUENTIAL DAMAGES EVEN IF REDI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY OTHER CLAIM AGAINST THE CUSTOMER BY A THIRD PARTY.**

11) **GOVERNING LAW; CONSENT TO JURISDICTION AND VENUE.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS (RULES) OR CHOICE OF LAWS (RULES) THEREOF. CUSTOMER CONSENTS TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF THE STATE DISTRICT COURT RESIDING IN MICHIGAN FOR ALL LITIGATION WHICH MAY BE BROUGHT WITH RESPECT TO OR ARISING OUT OF THE TERMS OF AND THE TRANSACTIONS AND RELATIONSHIPS CONTEMPLATED BY THIS AGREEMENT.

12) **Limited Product Warranty.** This Limited Warranty covers the REDIview™

System, which consists of and is limited to: the Units including cabling and antennas (collectively referred to as the "Products"). REDI warrants the Products against defects in materials or workmanship as follows: (a) For a period of twelve (12) months which shall commence upon activation of the Units (the "Warranty Term"), REDI will supply, at no additional charge, replacements for defective parts on the Products. Replacements may be new or remanufactured as determined by REDI for the returned defective part; (b) In addition, REDI will pay the labor charges of the REDI Authorized Service Center to repair the Products during the Warranty Term. Following expiration of the Warranty Term, the customer will be responsible for all parts and labor charges; and (c) Products that are "DE-INSTALLED" from one vehicle and "REINSTALLED" in another vehicle, must be reinstalled by a REDI certified installer using a new REDI De-installation/Re-installation kit. Failure to comply with this requirement will render the Limited Warranty for the Products null and void. This Warranty does not cover cosmetic damage, or damage caused by natural disasters, civil riots, criminal acts, war, terrorist acts, accident, misuse, abuse, missing components or negligent care of the Products. This Warranty does not cover damage caused by attempted removal or relocation of the Products from a vehicle if not performed by a REDI Authorized Service Center. This Warranty is intended for the benefit of the retail Customer of the Product, and may not be relied upon by or benefit any other party. This Warranty is valid only in the United States of America and Canada. Installation of Products by any person other than an installer certified by REDI will void this warranty. Repairs or attempts to repair the Products performed by anyone other than by a REDI Authorized Service Center or by technicians certified by REDI will void this warranty. Proof of purchase is required by REDI as evidence of warranty coverage in order to obtain warranty service, or REDI may extend coverage without proof of purchase based on REDI installation and Warranty records. **REPAIR OR REPLACEMENT AS PROVIDED UNDER THIS WARRANTY IS THE EXCLUSIVE REMEDY OF THE CUSTOMER. EXCEPT FOR REPAIR OR REPLACEMENT AS SPECIFIED ABOVE, REDI SHALL NOT BE LIABLE FOR DAMAGE TO ANY PERSON OR PROPERTY NOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OR BREACH OF ANY EXPRESS OR IMPLIED WARRANTY ON THIS PRODUCT.** For Customer's convenience, REDI has established a Customer Care center to supply you with product or service information. Call: Remote Dynamics, Inc. Customer Care Hotline, 1-888-288-6060; or Write: Remote Dynamics, Inc., Customer Care Center, 1155 Kas Drive, Suite 100, Richardson, Texas 75081. If Customer purchases the Extended Limited Warranty, the Warranty Term shall be extended by such period of time as selected in exchange for the payment of the Extended Warranty fees.

13) **Counterparts.** This Agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14) **Entire Agreement.** This contract constitutes the entire understanding between Customer and REDI regarding the subject matter hereof and supersedes all prior discussions, agreements and understandings relating to the subject matter hereof. This Agreement may not be amended or modified unless the amendment or modification is in writing and signed by both parties hereto.

Revised 9/20/2006

Addendum to contract regarding software enhancement:

Software enhancement will add an optional cost of \$0.00 for additional vehicle asset maintenance reporting. When service records are added to vehicle assets, the City of Novi will be able to detail the exact cost of the repair/service performed on the vehicle for any of the service categories established. The costs of service can be reported by service category for individual units, groups of units, or the entire fleet of units. Note that this new report is not the same as the Cost Analysis report which details costs by trip.

Optional Installation/On Site Service Fee Structure: if the City elects to have Remote Dynamics perform the installations the City of Novi will be charge a flat rate of \$200.