

MAY - 4

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CITY OF BALDWIN PARK

Consent Calendar

TO: Honorable Mayor and Members of the City Council

FROM: Lili Hadsell, Chief of Police *Lili Hadsell*  
 Lorena Quijano, Finance Director *Lorena Quijano*

DATE: May 4, 2011

SUBJECT: Approval of Renewal of Contract for Automated Enforcement System  
 (Red Light Camera Program) with Redflex Traffic Systems, Inc.

### PURPOSE

The purpose of this report is to request City Council approval of a renewal of the contract agreement with Redflex Traffic Systems, Inc. (Redflex) for the Automated Enforcement System for the City of Baldwin Park.

### BACKGROUND

The City of Baldwin Park is currently under contract with Redflex to provide automated red light traffic enforcement. The Redflex photo enforcement system uses cameras to videotape and photograph red light violators at nine different locations within the city. The photo enforcement program went operational on May 4, 2006. Our current agreement expires on May 18, 2011.

The intended purpose of the photo enforcement was to increase traffic safety by reducing the number of injury traffic collisions and to increase driver awareness of the hazards associated with unsafe driving in and around signal controlled intersections. In the first full year after installing the cameras, traffic collisions decreased by approximately 20%.

The nine cameras are positioned in various directions at the following intersections:

- Ramona Blvd. & Francisquito Ave.
- Puente Ave. & Francisquito Ave.
- Puente Ave. & Merced Ave.
- Puente Ave. & Pacific Ave.
- Baldwin Park Blvd. & Ramona Blvd.
- Puente Ave. & Dalewood Ave.

The current court imposed fines for red light violations are listed below. The fines are set and regulated by Los Angeles County Judicial Council. The city does not have any input in regards to these fines. The city receives \$141.00 in penalty fees for every citation paid in full. This amount varies as the court often reduces the fine or gives the violator a payment plan or may choose to dismiss the

citation in some instances. Also, many violators are never identified and others choose not to pay their fines. This makes it difficult to calculate how much the city is going to collect from these fines.

On January 1, 2009, Senate Bill 1407 went into effect. This bill increased both the total Bail Amount due and the Traffic School Amount given out on the Notice of Violation that is mailed to violators. The increase amounts to a \$56 increase in the penalty. The city does not receive any of the money from the increase.

The new dollar amounts to be reflected on the Notice of Violation for Adult defendants depending on Violation Cited, Full Bail or Traffic School Amount are as follows:

	Full Bail with Night Court	Full Bail with no Night Court	Traffic School with Night Court	Traffic School with no Night Court
Violation 21453A				
Violation 21453C	\$ 436.00	\$ 435.00	\$ 500.00	\$ 499.00

The new dollar amounts to be reflected on the Notice of Violation for Juvenile defendants depending on Violation Cited, Full Bail or Traffic School Amount are as follows:

	Full Bail with Night Court	Full Bail with no Night Court	Traffic School with Night Court	Traffic School with no Night Court
Violation 21453A				
Violation 21453C	n/a	\$ 380.00	n/a	\$ 444.00

**DISCUSSION**

The Chief of Police and Director of Finance have been in discussion with Redflex over the past year evaluating the costs and the results on safety in the intersections which have these cameras.

According to the Insurance Institute for Highway Safety, 22 percent of all traffic accidents in the United States are caused by drivers running red lights. Every year, these accidents kill some 800 people and rack up an estimated \$7 billion dollars in property damage, medical bills, lost productivity and insurance hikes. And this sort of traffic violation seems to be on the rise. In many areas, red-light violations have increased by 10 percent or more since the 1980s.

Beyond that, the Insurance Institute for Highway Safety published a report in February 2011, ("Effects of Red Light Camera Enforcement on Fatal Crashes in Large U.S. Cities") which concluded that "Red light camera enforcement programs reduce the citywide rate of fatal red light running crashes and, to a lesser but still significant extent, the rate of all fatal crashes at signalized intersections." The report estimated that the rate of fatal red-light running crashes

decreased by 24 percent, and all fatal crashes at signalized intersections decreased by 17 percent in cities with camera programs.

The red light camera enforcement program has several public safety advantages. Intersections with red light cameras have become safer. This has happened because of increased public awareness of the dangers of running red lights. Also, the cameras have changed motorists' behavior. Drivers slow down rather than speed up to beat the light. The cameras have reduced accidents and increased the safety of pedestrians.

In the five years photo enforcement has been in place, the Police Department has issued 43,107 total red light photo enforced citations:

- 2006 – 7,794
- 2007 – 9,190
- 2008 – 11,016
- 2009 – 9,126
- 2010 – 4,754
- 2011 – 1,224 (year to date)

Approximately 103,000 vehicles navigate the City's red light camera intersections on a daily basis, and although the red light cameras have changed the driving behavior of the majority of motorists, some motorists continue to violate the law. In 2010, 16% of these motorists were detected running the red light (straight through and right turn). It is safe to assume that if the red light cameras were not in place, there would be more motorists running the red light; an increase in traffic collisions would be sure to follow. The goal of the continuation of the red light camera enforcement program is to increase traffic safety for motorists and pedestrians.

In addition to finding that the program has increased traffic safety and reduced traffic collisions for the most part, the City found that overall the contract has remained cost neutral since the City has recuperated the cost paid to the vendor.

In order to provide a comprehensive analysis of the costs and revenues, the City has also been in discussion with the Los Angeles Court in order to determine what reports were available to each city which would provide citation and revenue information. The table below reflects data available from the Court on revenues related to this program for the past four years versus the City's payments; the Court began providing this data to cities for September 2007.

Fiscal Year	Court/Camera Revenue	Payments	Gain/Loss*
Sep 2007- June 2008	887,470	459,145	428,325
2008-2009	1,072,359	679,863	392,496
2009-2010	886,693	679,863	206,830
July 2010- May 2011**	480,908	273,226	207,682

\*The gain/loss does not reflect the cost of officer or other staff time incurred to implement the program during the contract period  
 \*\*Estimated through May; payment includes a \$350,000 credit from Redflex.

Although the City has recuperated the cost paid to the vendor, as noted in the table above, beginning in fiscal year 2009-2010, the amount of citations collected has been gradually decreasing due to non-payment or due to the Courts dismissing these citations and/or the Court providing an option of community service as an alternative payment options. In fiscal year 2010-2011, the collection of these citations was reduced significantly. In order to continue providing the cameras as a safety measure while maintaining a reasonable cost to the City, the City has negotiated the following:

- Redflex will provide the City a credit of \$350,000 thus reducing the amount due for fiscal year 2010-2011.
- Redflex will provide a credit \$75,000 per year during the four year renewal term (beginning May 18, 2011 if contract is approved) for operational expenses (officer costs) incurred for the operation of program.
- The monthly payment of four cameras will be reduced to a fixed fee of \$1,400 per month versus \$6,295; the remaining five cameras will remain at \$6,295 per month.

**FISCAL IMPACT**

Based on the new contract terms, the City will save about \$1.6 million over the current contract in the new four years contract; this amount will offset the annual revenue losses as follows:

	Current Contract (Annual Cost)	New Contract (Annual Cost)	Savings Year 1	Savings 4 Years
Contract Costs	679,863	449,221.80	230,641.44	\$ 922,565.76
Credit for Officer Costs	-	75,000.00	75,000.00	300,000.00
<b>Total</b>	<b>679,863</b>	<b>374,221.80</b>	<b>305,641.44</b>	<b>1,222,565.76</b>
Credit for Outstanding Invoices (Applied to Fiscal Year 2011)				350,000.00
<b>Total Savings to Offset Revenue Losses</b>				<b>\$1,572,565.76*</b>
<i>* The loss of Revenues was adjusted in Fiscal Year 2011</i>				

Both the revenues and expenditures for this program will be reflected in the upcoming fiscal year 2011-2012 proposed budget.

**RECOMMENDATION**

It is recommended that the City Council approve the four year extension and amendment of the proposed Redflex Traffic System, Inc Agreement.

**ATTACHMENT**

Extension and Amendment to Redflex Traffic System, Inc Agreement

**EXTENSION OF AND AMENDMENT TO THE AGREEMENT  
BETWEEN  
THE CITY OF BALDWIN PARK  
AND  
REDFLEX TRAFFIC SYSTEMS, INC.  
FOR  
PHOTO RED LIGHT ENFORCEMENT PROGRAM**

This Amendment ("Amendment") is made as of the date of the last signature contained herein by and between Redflex Traffic Systems, Inc. ("Redflex"), a Delaware Corporation with offices located at 23751 N. 23<sup>rd</sup> Avenue, Phoenix, Arizona 85085 and the City of Baldwin Park, a municipal corporation with offices at 14403 E. Pacific Avenue, Baldwin Park, CA 91706 (the "Customer" or "City"), individually the "Party" and collectively referred to as the "Parties".

**RECITALS**

WHEREAS, Redflex has exclusive knowledge, possession and ownership of certain equipment, licenses, applications, and citation processes related to digital photo red light enforcement systems; and

WHEREAS, the Parties entered into that certain Agreement for a Photo Red Light Enforcement Program executed on or about January 18, 2006, by which Redflex provides services to the Customer related to digital photo red light enforcement systems (the "Agreement"); and

WHEREAS, the Customer desires to continue to engage the services of Redflex to provide certain equipment, processes and back office services so that authorized city staff of the Customer are able to monitor, identify and enforce red light running violations; and

WHEREAS, it is a mutual objective of both Redflex and the Customer to reduce the incidence of vehicle collisions at the traffic intersections and city streets that will continue to be monitored pursuant to the terms of the Agreement as expressly modified herein.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration received, the receipt and sufficiency of which are hereby acknowledged, the Parties amend the Agreement as follows:

**AMENDED TERMS AND CONDITIONS**

1. Extension of Term. The Term of the Agreement shall be extended for an additional four (4) years (hereinafter the "Renewal Term") commencing on May 18, 2011 and continuing for a period of four (4) years thereafter.

2. Credit to Customer. As consideration for the Renewal Term, Redflex shall provide to the Customer a credit of \$350,000.00 (the "Credited Amount"). The Credited Amount shall be deducted from the balance due as of May 18, 2011, of \$769,414.00.

3. Payment to Redflex. The Customer shall pay or cause to be paid to Redflex within thirty (30) calendar days after the execution date of this Amendment the sum of \$419,414.51., the balance due, after the aforementioned credit, from outstanding invoices.

4. Operational Fee Credit. Redflex shall provide to Customer a credit not to exceed the amount of \$75,000.00 per year during the Renewal Term solely for operational expenses incurred by the Customer in connection with the operation of the Photo Red Light Enforcement Program.

5. Compensation & Pricing Modification. Exhibit "D", entitled "Compensation & Pricing" of the Agreement is hereby amended as follows:

A. Customer shall be obligated to pay to Redflex a fixed fee of \$1,400.00 per month for each of the following Designated Intersection Approaches:

1. BAL-FRUP-01 -- Francisquito Ave. / Puente Ave. E/B
2. BAL-PUDA-01 -- Dalewood St. / Puente Ave. N/B
3. BAL-PUPA-01 -- Puente Ave. / Pacific Ave. -- N/B
4. BAL -- RAFR-03 -- Ramona Blvd. / Francisquito Ave. -- W/B

B. Customer shall be obligated to pay to Redflex a fixed fee of \$6,295.00 per month for each of the following Designated Intersection Approaches:

1. BAL-DAPU-01 -- Dalewood St. / Puente Ave. -- W/B
2. BAL-PUME-01 -- Puente Ave. / Merced -- N/B
3. BAL-RABA-01 -- Ramona Blvd. / Baldwin Park Blvd. -- W/B
4. BAL-RABA-03 -- Ramona Blvd. / Baldwin Park Blvd. -- E/B
5. BAL-RAFR-01 -- Ramona Blvd. / Francisquito Ave. -- E/B

6. Lane Reconfiguration. Redflex shall perform lane reconfigurations with respect to the Designated Intersection Approaches identified in section 5.A. and section 5.B. of this Amendment at no cost to the Customer upon written request from the Customer. Redflex shall commence lane reconfiguration within sixty (60) days after receipt by Redflex of the Customer's written lane reconfiguration request.

7. Designated Intersection Approach Relocation.

- a. Redflex shall not relocate ("Approach Relocation") the Designated Intersection Approaches identified in section 5.A. of this Amendment and any and all the equipment, machinery, materials and property (the "Equipment") related thereto prior to the date of May 18, 2013. After that date and only upon written request from the Customer, Redflex shall commence Approach Relocation of the Designated Intersection Approaches identified in section 5.A of this Amendment at no cost to the Customer.
- b. Redflex shall relocate ("Approach Relocation") the Designated Intersection Approaches identified in section 5.B. of this Amendment upon written request from the Customer. The Customer shall reimburse Redflex in full for any and all costs, fees, expenses and charges ("Approach Relocation Costs") incurred and/or sustained by Redflex resulting from and/or associated with any Approach Relocation. Redflex shall commence the Approach Relocation within sixty (60) days after receipt by Redflex of the Customer's written Approach Relocation request. Approach Relocation Costs are estimated at, but may exceed, \$45,000.00 per each Designated Intersection Approach identified in section 5.B. of this Amendment.

8. Monthly Report. Redflex shall submit to the Customer one (1) report of paid citations each month during the Renewal Term that shall include the following data: a) the citation(s) number; and b) the amount paid in connection with each paid citation(s); and c) the court disposition code of the citation(s); and d) the date of the payment of the citation(s).

9. Enforceability of Non-Amended Terms and Conditions. Except as expressly amended in writing in this Amendment, the terms and conditions of the Agreement and any and all amendments, attachments and exhibits attached thereto and incorporated herewith by reference shall be unchanged and shall remain enforceable and in full force and effect.

10. Relationship Between Redflex and the City. Nothing in this Amendment or the Agreement shall create, or be deemed to create, a partnership, joint venture and/or the relationship of principal and agent and/or employer and employee between the Parties. The relationship between the Parties shall be that of independent contractors, and nothing contained herein shall permit, authorize, sanction and/or allow, at any time, either Party to incur any debts and/or liabilities on behalf of the other Party.

11. Headings. The captions, titles, paragraph headings used in this Amendment are for convenience only, and are not a part of this Amendment, and shall not be deemed relevant in construing and/or interpreting this Amendment.

12. Execution And Counterparts. This Amendment may be signed in counterparts, and each counterpart shall be deemed an original, but all of which shall constitute one and the same instrument. The Parties agree that such counterpart shall be effective and enforceable on or about the date of the last required signature.

13. Covenant of Further Assurances. All Parties to this Amendment shall take, undertake, approve, sanction, and perform, in full, any and all acts and activities and execute and deliver any and all certificates, documents, permits, licenses, agreements, contracts, written instruments and other papers deemed necessary and appropriate for successful and complete compliance with each and every term and condition of this Amendment.

14. Authority to Execute. The undersigned individuals hereby warrant and represent that they have full authority to execute this Amendment on behalf of the entities for which they have signed.

15. Legal Competence. The Parties hereto expressly represent and warrant that they are legally competent to execute this Amendment and that they do so of their own free will and accord without reliance on any representations of any kind or character not expressly set forth herein.

16. No Duress. The Parties expressly represent and warrant that this Amendment has been freely and voluntarily entered into and that the Parties did not execute this Amendment under duress of any kind, from any Party or person, regardless of whether they are a signatory hereto.

17. Joint Efforts. This Amendment has been prepared by the joint efforts of the respective attorneys for the Parties and each Party acknowledges and agrees that the general rule of contract construction providing that the provisions of a contract are to be strictly construed against the drafter of the agreement is hereby waived.

18. No Waiver. No waiver of any of the terms of this Amendment shall be binding unless in writing and signed by all Parties hereto. No waiver of any term of this Amendment shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

19. Severability. The invalidity or unenforceability of any paragraph or provision of this Amendment shall not affect the validity or enforceability of the remainder of this Amendment, or the remainder of any paragraph or provision. This Amendment shall be construed in all respects to the fullest extent permitted by law, and as if any invalid or unenforceable paragraph or provision was omitted.

20. Understanding. The Parties to this Amendment represent that they have received independent advice of counsel concerning the meaning and legal effect of the terms of this Amendment. After such counseling, the Parties represent that they fully understand this Amendment and its terms, and, with this full understanding, voluntarily



enter into this Amendment as evidenced by signing it below. The Parties have read and understand all terms and conditions of this Amendment.

21. Pronouns. Wherever the context shall so require, all words used herein in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

22. Binding Effect. This Amendment shall inure to the benefit of and be binding upon the assigns and successors of the respective Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as set forth below.

Approved as to form, content and legality:

**THE CITY OF BALDWIN PARK:**

Date: May 18, 2011

By: Manuel Dozano

Name: 

Title: Mayor

**REFLEX TRAFFIC SYSTEMS, INC.:**

Date: May 17, 2011

By: Karen Finley

Name: Karen Finley

Title: CEO