

Agenda Report

July 12, 2010

TO: City Council
FROM: Department of Transportation
SUBJECT: AMENDMENT TO CONTRACT #17,712 WITH NESTOR TRAFFIC SYSTEMS TO REDUCE THE SCOPE OF THE AUTOMATED RED LIGHT CAMERA ENFORCEMENT PROGRAM

RECOMMENDATION:

It is recommended that the City Council:

Authorize the City Manager to amend Traffic Signal Violation Video-Monitoring Services Agreement No. 17,712 with American Traffic Solutions, Inc. (formerly Nestor Traffic Systems, Inc.) to incorporate the following changes in the Automated Red Light Camera (RLC) Enforcement Program:

1. Reduce monthly fees from \$34,300 for seven (7) approaches to \$21,000 per month (a decrease in the monthly per approach fee from \$4,900 to \$3,000)
2. Extend the contract by approximately seven (7) months to a completion date of June 30, 2011

BACKGROUND:

In June 24, 2002 the City entered into a contract with Nestor Traffic Systems, (NTS) Inc. to provide Automated Red Light Camera (RLC) enforcement services at ten intersection approaches within the City. City staff worked diligently to have all approved locations installed with RLC. However, by November 2005, only seven of the ten approved approaches were completed due to construction delays and permitting requirements at three approaches within the jurisdiction of State of California Department of Transportation (CALTRANS). The seven installed RLC approaches are at the following locations:

1. Northbound and southbound approaches at Lake Avenue and Union Street (two approaches)
2. Northbound, southbound, and westbound approaches at Marengo Avenue and Union Street (three approaches)

3. Northbound and southbound approaches at San Gabriel Boulevard and Foothill Boulevard (two approaches)

The RLC program succeeded in modifying driver behavior, red light running violations declined and related traffic collisions were reduced at the above locations. While it is positive that the program works, reduced violations also resulted in declining citation revenue, which is used to fund the RLC program. The City pays a flat monthly fee per approach for maintaining the program and as citations declined, revenues became inadequate to cover the monthly service fee. However, review of the number of citations issued in the last year indicates that red-light running, while reduced from prior years, continues to occur at a rate that warrants continued use of the RLC program. With this information in hand, staff undertook an effort to reduce the Department's operating costs through adjustments to the contract with NTS that would make the RLC program more cost-effective.

In the course of negotiating adjustments with NTS to achieve a more cost-effective contract, NTS filed for Chapter 11 of the US Bankruptcy Code to seek protection during reorganization of the firm. NTS was assigned into a receivership process by the Federal Courts that culminated with the acquisition of NTS by American Traffic Solutions (ATS), Inc. Under a full assignment clause in the City of Pasadena's contract with NTS, ATS assumed the contract for the City of Pasadena's RLC program.

After review of the City's program and in conjunction with staff's request to renegotiate the contract terms, ATS offered the following changes to the contract, subject to City approval:

1. Reduce monthly fees from \$34,300 for seven approaches to \$21,000 per month (a change in the monthly per approach fee from \$4,900 to \$3,000)
2. Extend the contract by approximately seven months to a completion date of June 30, 2011

Pasadena Police Department staff has been briefed and is supportive of the ATS proposal.

Staff is seeking City Council's approval to effect the above changes to the program. The recommended changes provide one more year of automated RLC enforcement services at a reduced cost and also provide additional time to carefully plan and evaluate options for the future of the RLC automated enforcement program.

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the following goals of the Strategic Plan:

- Maintain Fiscal Responsibility and Stability – the proposed contract changes would reduce the overall cost of the Automated Red Light Camera Enforcement Program.

- Ensure Public Safety – the proposed changes would maintain the operation of the Automated Red Light Camera Enforcement Program in a cost effective manner.

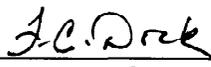
ENVIRONMENTAL ANALYSIS:

The Automated Red Light Camera Enforcement program has been determined to be exempt from CEQA pursuant to Section 15308 and 15061 (b)(3).

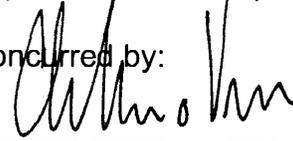
FISCAL IMPACT:

If adopted, and made effective August 1, 2010, the amended Automated Red Light Camera Enforcement Program's monthly fee will be reduced to \$21,000 from \$34,300 for a savings of \$146,300 over the length of the extended contract period.

Respectfully submitted,

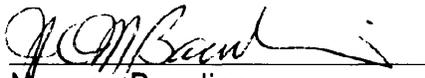


Frederick C. Dock
Director
Department of Transportation

Concurred by:


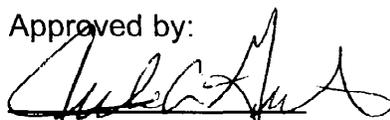
Christopher O. Vicino
Interim Police Chief
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Prepared by:



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Approved by:



MICHAEL J. BECK
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