

CITY OF GARDENA



PAUL K. TANAKA, *Mayor*
OSCAR MEDRANO JR, *Mayor Pro Tem*
STEVEN C. BRADFORD, *Councilmember*
RONALD K. IKEJIRI, *Councilmember*
RACHEL C. JOHNSON, *Councilmember*

OFFICE OF THE CITY MANAGER
1700 WEST 162nd STREET / GARDENA, CALIFORNIA 90247-3778 / (310) 217-9505 / Fax (310) 217-9694

MARIA ELENA MARQUEZ, *City Clerk*
J. INGRID TSUKUYAMA, *City Treasurer*
MITCHELL G. LANSDALL, *City Manager*
EDWARD W. LEE, *City Attorney*

CERTIFIED MAIL #7002 0460 0000 0572 6801

February 13, 2007

Redflex Traffic Systems, Inc.
ATTN: MS. KAREN FINLEY
15020 North 7th Street
Scottsdale, AZ 85260

RE: REDFLEX AGREEMENT

Dear Ms. Finley:

Pursuant to Section 6.3 of the Agreement between the City of Gardena and Redflex Traffic Systems, Inc. for Automated Red Light Photo Enforcement Cameras dated September 28, 2004 ("the Agreement"), this letter provides you notice of termination of the Agreement. As provided in Section 6.3 of the Agreement, termination shall be effective thirty (30) days from the date of this notice.

Sincerely,

A handwritten signature in cursive script that reads 'Mitchell G. Lansdall'.

MITCHELL G. LANSDALL
City Manager

MGL:dh
Cc: Chief Lyons
E. W. Lee
City Clerk

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EDWARD W. LEE, *City Attorney*

March 27, 2007

Ms. Karen Finley
REDFLEX TRAFFIC SYSTEMS, INC.
15020 North 7th Street
Scottsdale, AZ 85260

RE: REDFLEX AGREEMENT

Dear Ms. Finley:

On March 22, 2007, the City of Gardena staff met with Seth Fogel and John Turner of Redflex to discuss the City's February 13, 2007 letter of termination.

During that meeting we reached agreement that effective March 27, 2007, the letter of termination would be withdrawn for a period of six (6) months.

This letter will serve as confirmation of the terms for extension of the termination notice. Effective immediately, the City of Gardena will bill on a monthly basis, for seven of the ten approaches. The six approaches at Artesia Boulevard/Normandie Avenue, Redondo Beach Boulevard/Normandie Avenue, Rosecrans Avenue/Budlong Avenue will be upgraded with the newest 6.0 cameras. The financial accounting report currently being worked on by Redflex for handling by Superior Court will be completed and in place prior to the end of the six month period. Once the new report is in place, the City will prepare an analysis of City costs and income as far as accident safety data, to determine if the termination notice should be reinstated or withdrawn.

Should you have any questions with regard to the above-stated conditions or with the Reflex representatives' understanding of the conditions discussed at the March 22nd meeting, please contact me immediately.

Sincerely,



MITCHELL G. LANSDALL
City Manager

MGL:dh

Cc: City Attorney
Deputy Chief Medrano
Mayor & City Councilmembers
Seth Fogel, Director of Programs
Reflex Traffic Systems
6076 Bristol Parkway, Suite 106
Culver City, CA 90230

GARDENA POLICE DEPARTMENT

INTER-DEPARTMENT MEMORANDUM

TO: Chief Ed Medrano **DATE:** August 8th, 2007
FROM: Lt. Mike Saffell **REF:**
SUBJ: Redflex Analysis 2007 **CC:**

The purpose of this memorandum is to update the "Redflex" study completed by Capt. Balo in December 2006. The update will focus on three areas during the 2006-2007 fiscal year, a fourth area in the projected performance for 2007-2008, and a fifth area which examines the affect of the higher quality cameras which were installed pursuant to the re-negotiation of this program in February 2007.

With reference to the first three areas of examination which concern the 2006-2007 fiscal year, the first area is comparing monies received from South Bay Court to monies paid to "Redflex" for their service. The second area is examining the amount of tickets processed by the "Redflex" system. The third area, and most important, is examining the amount of traffic collisions at the key "Redflex" intersections.

Area # 1

In fiscal year 2006-2007, the City of Gardena received \$1,022,750 from South Bay Court as compared to \$1,003,468 in the 2005-2006 year. As with the first study, it is extremely difficult, if not impossible, to determine how much of our revenue from the courts come specifically from Redflex versus other citations and criminal fines. In fiscal year 2006-2007, the City of Gardena paid out \$671,447.42 to Redflex for their service. (This is even after the City negotiated a reduce monthly fee from \$60,700.00 to \$42,490.00) This leaves a remainder of \$351,300. However, once personnel costs of approximately \$50,000 are subtracted, the figure drops to approximately \$300,000.

Interesting to note, the previous study found that in fiscal years 2003-2004 and 2004-2005 (pre-Redflex years) the city obtained approx. \$324,000.00 annually from court revenues. In light of these facts, it again appears the operating the Redflex program is "costing" the City money versus being self-sufficient.

Area # 2

In fiscal year 2005-2006, Redflex identified 30,835 violations. Redflex sent the police department 19,850 violations to be processed. Of those, 14,854 notices were printed. Of those, 7,781 citations were generated. In fiscal year 2006-2007, Redflex identified 25,593 violations and sent the police department 14,386 violations to be processed. Of those, 10,185 notices were printed. Of those, 5,686 citations were generated. This is a decrease in almost 5,000 violations (corporate letters and citations) for the year, an approximately 30% decrease. More specifically, it was a decrease of 2,095 citations.

Area # 3

Traffic Collisions

<u>2005-2006</u>	<u>2006-2007</u>	<u>Intersection</u>
3	6	Normandie/Artesia
4	2	Normandie/RBB
7	8	Rosecrans/Budlong
0	0	RBB/Grammercy
3	4	Western/158
6	8	Western/135

Four of six Redflex intersections experienced of the program intersections show an "increase" in traffic collisions during 2006-2007. Granted these numbers (single-digit) are not high, but even so, they are moving in the wrong direction. In the previous study, there was a decrease in the accidents, so it's difficult to show if the program is having a significant affect, positive or negative, on traffic accidents.

Area #4

Using the "notices printed", payments to Redflex, and monies collected from Court in April, May, and June of 2007, I projected the performance in all areas for fiscal year 2007-2008.

Total number of notices printed	Total Payment to Redflex	Monies Collected from Court
2007-2008	2007-2008	2007-2008
8,468	\$509,880	\$975,387.84

From this study, our payment to Redflex (per month) decreased by approx. 30 percent. However, our total number of notices printed decreased by approx. 17 percent. Therefore, with the decrease in our monthly payment came a decrease in production (cites).

Area #5

After the initial study in December 2006, the "Redflex" program was re-negotiated. One of the areas involved in this re-negotiation was improving the cameras which would aid in the identification of traffic violators, thus increasing the effectiveness of the program. This improvement occurred in late April 2007. In examining the numbers from May and June of 2007, it appears that the percentage for ratio of cites to those "available for prosecution" decreased in May to approx. 38% then increased in June to 55%. Fiscal year 2006-2007 provided an average percentage of approx. 39%. These numbers do not paint a picture of increased effectiveness because fiscal year 2005-2006 provided an average percentage of approx. 39% as well. These results do not provide any reason to stay with the "Redflex" program.

My conclusion from extending the last study has ended in the same position. The program is at best, but not very likely, generating enough revenue to be self-sustaining. The costs of this program in staffing and additional responsibilities for the traffic bureau are not beneficial or helpful in achieving our department's goal in traffic safety. Most importantly, the program does not appear to be proving a safety benefit to the community. I therefore confer with the conclusion from the previous study that Redflex program be terminated.



PAUL K. TANAKA, Mayor
RACHEL C. JOHNSON, Mayor Pro Tem
STEVEN C. BRADFORD, Councilmember
RONALD K. IKEJIRI, Councilmember
OSCAR MEDRANO JR., Councilmember

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CITY of GARDENA OFFICE OF THE CITY MANAGER

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MITCHELL G. LANSDÉLL, City Manager
EDWARD W. LEE, City Attorney

September 25, 2007

Redflex Traffic Systems, Inc.
ATTN: MS. KAREN FINLEY
15020 North 7th Street
Scottsdale, AZ 85260

Subject: REDFLEX TRAFFIC SYSTEMS, INC. AGREEMENT

Dear Ms. Finley:

On March 27, 2007, we reached an agreement to withdraw the City of Gardena Notice of Termination, for a period of six (6) months.

The City has re-evaluated the system during this period and, based on the analysis, the City of Gardena is re-issuing a Notice of Termination.

Pursuant to Section 6.3 of the Agreement between the City of Gardena and Redflex Traffic Systems, Inc. for Automated Red Light Photo Enforcement Cameras, dated September 28, 2004 ("the Agreement"), this letter hereby provides you an official
~~NOTICE OF TERMINATION OF THE AGREEMENT.~~

As provided in Section 6.3 of the Agreement, termination shall be effective thirty (30) days from September 27, 2007.

Sincerely,

MITCHELL G. LANSDÉLL
City Manager

MGL:nw

c: E. Medrano, Chief of Police
E.W. Lee, City Attorney
M. Marquez, City Clerk

2007 NOV 07 AM 10:32

CITY OF GARDENA



CITY OF GARDENA
CITY CLERK

07 NOV -7 PM 12:51

PAUL K. TANAKA, *Mayor*
RACHEL C. JOHNSON, *Mayor Pro Tem*
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MARIA ELENA MARQUEZ, *City Clerk*
J. INGRID TSUKIYAMA, *City Treasurer*
MITCHELL G. LANSDELL, *City Manager*
EDWARD W. LEE, *City Attorney*

October 30, 2007

Redflex Traffic Systems, Inc.
ATTN: MS. KAREN FINLEY
15020 North 7th Street
Scottsdale, AZ 85260

RE: REDFLEX TRAFFIC SYSTEMS INC. - CITY OF GARDENA AGREEMENT

Dear Ms. Finley:

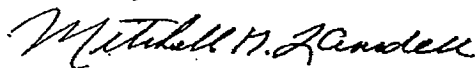
The purpose of this letter is to notify you that upon acceptance by Redflex of the amendments stated below, the City of Gardena shall rescind its letter of September 25, 2007, which notified Redflex of the City's intent to terminate the Agreement 30 days from September 27, 2007.

This letter will confirm the agreement between the City and Redflex that Exhibit D to the Agreement is amended to provide that commencing November 1, 2007, Redflex will invoice the City a total of \$35,000 per month for the ten (10) systems currently active in the City of Gardena. This revised compensation will be in effect for twelve (12) months ending October 31, 2008. We have agreed that prior to the end date, we will meet to re-evaluate the solvency of the program.

Except as otherwise provided herein, the terms of the September 28, 2004 Agreement between the City and Redflex remain in full force and effect. Please return your executed acceptance of the amended terms to me in the enclosed envelope.

Should you have any questions, please feel free to contact me.

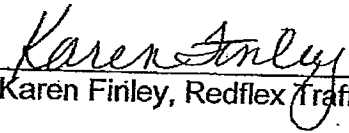
Sincerely,



MITCHELL G. LANSDELL
City Manager

REDFLEX

Reviewed and Accepted:



Karen Finley, Redflex Traffic Systems, Inc.

MGL:dh

Cc: E. Medrano, Chief of Police
S. Fischer, Assistant City Attorney
M. Marquez, City Clerk