


**6.2**  
**RED LIGHT PHOTO ENFORCEMENT**  
**PROGRAM**

## City of Laguna Woods Agenda Report

**FOR:** June 6, 2012 City Council Meeting  
**TO:** Honorable Mayor and Councilmembers  
**FROM:** Leslie A. Keane, City Manager   
**AGENDA ITEM:** Red Light Photo Enforcement Program

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### **Recommendation**

Consider approving a memorandum of understanding between the City of Laguna Woods and Redflex Traffic Systems, Inc. related to the existing automated red light photo enforcement systems agreement and authorizing the City Manager to execute the memorandum, subject to approval as to form by the City Attorney.

### **Background**

In 2005, the City Council approved an agreement with Redflex Traffic Systems, Inc. for red light photo enforcement at the intersections of El Toro Road/Moulton Parkway and Laguna Woods Village Gate 12/Moulton Parkway. The most recent amendment to the agreement was approved in 2011 and extended the term through June 30, 2013 with the option of one additional 12-month extension.

On May 2, 2012, the City Council reached consensus to terminate the agreement with Redflex effective on July 1, 2012. Subsequently, staff provided Redflex with a notice of termination and began to make arrangements for removal of the camera equipment and completion of the red light photo enforcement program. Without further action by the City Council, the agreement will terminate on July 1, 2012.

### **Discussion**

Redflex has submitted a memorandum of understanding for consideration by the City Council that reduces the monthly fees paid by the City to Redflex for a period of nine months. The memorandum does not modify any other provision of the existing agreement including, but not limited to, the City's ability to terminate the agreement, without cause, with 45-days notice. Execution of the memorandum would rescind the City's May 4, 2012 notice of termination.

**Fiscal Impact**

The City's existing agreement with Redflex includes a monthly fee of \$3,000 for each of the five red light photo enforced approaches (\$15,000 per month). Redflex is proposing to lower the fee by \$7,500 per month for the months of July 2012 through March 2013. This equates to a one-time savings of \$67,500.

Staff projects that the red light photo enforcement program will operate at a deficit of \$62,841 to \$162,841 during the 2012-13 fiscal year. There remains a significant level of uncertainty regarding the availability of grant funds to offset the cost of the program, legal requirements, and other uncontrollable factors.

**Conclusion**

Without further action, the agreement with Redflex Traffic Systems, Inc. for red light photo enforcement will terminate on July 1, 2012. Redflex has submitted a memorandum of understanding for the City Council's consideration which would reduce expenses in exchange for rescission of the City's notice of termination.

Report prepared by: Christopher Macon, Director of Public Safety 

Attachment: Proposed Memorandum of Understanding

**Memorandum of Understanding  
between  
Redflex Traffic Systems, Inc.  
and the  
City of Laguna Woods**

This Memorandum of Understanding ("MOU") is made and entered into this \_\_\_\_ day of June 2012 ("Effective Date") by and among Redflex Traffic Systems, Inc. ("Redflex"), a Delaware corporation, and the City of Laguna Woods, a California municipal corporation ("City"). Redflex and the City are collectively referred to as the "Parties."

1. On July 11, 2005, the Parties entered into an Agreement for automated red light photo enforcement systems. The Agreement was amended in 2010, 2011, and 2012 (collectively the "Agreement").
2. On May 4, 2012, the City provided Redflex with written notice of the City's intent to terminate the Agreement effective on July 1, 2012.
3. Redflex desires to assist the City with temporarily reducing the financial cost of operating the red light photo enforcement systems due to unique conditions that exist currently for the City.

NOW THEREFORE, with no other changes to the terms or conditions of the Agreement, Redflex and the City hereby agree:

1. Upon the Effective Date, the City's May 4, 2012 notice of termination shall be rescinded. Such rescission shall pertain only to the notice provided by City of termination on May 4, 2012, and shall be without prejudice to any of City's otherwise applicable termination rights under the Agreement.
2. Redflex will decrease the amount the City would otherwise owe Redflex under the Agreement by \$7,500 per month for nine months beginning on July 1, 2012 and ending on March 31, 2013.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed the day and year first above written.

**CITY OF LAGUNA WOODS:**

By \_\_\_\_\_  
Leslie A. Keane, City Manager

\_\_\_\_\_  
Date

**REDFLEX TRAFFIC SYSTEMS, INC.:**

By \_\_\_\_\_  
Karen Finley, President & CEO

\_\_\_\_\_  
Date

**APPROVED AS TO FORM:**

\_\_\_\_\_  
David B. Cosgrove, City Attorney

\_\_\_\_\_  
Date