

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
August 20, 2019

To: Board of Supervisors

Through: Navdeep S. Gill, County Executive

From: Scott R. Jones, Sheriff, Sheriff's Office

Subject: Approval Of Contract Award With REDFLEX Traffic Systems, Inc. For Provision Of A Red Light Photo Enforcement System For A Two-Year Term In The Amount Of \$1,797,000, Effective Upon Execution, And Authorization To Execute A Memorandum Of Understanding With The City Of Sacramento For Operation And Management Of The Red Light Photo Enforcement System Within The Incorporated Limits Of The City Of Sacramento For A Two-Year Period Effective Upon Execution (Continued From August 6, 2019; Item No. 22)

District(s): All

RECOMMENDED ACTIONS

Adopt the Resolution, as presented on August 6, 2019, authorizing:

1. The Purchasing Agent, or designee, to award a contract for the provision of a red light photo enforcement system to REDFLEX Traffic Systems, Inc.
2. The Purchasing Agent, or designee, to negotiate and execute a contract with REDFLEX Traffic Systems, Inc. for the provision of a red light photo enforcement system for a two-year term in the amount of \$1,797,000, effective upon the date of execution, with the option to renew the agreement for up to four additional one-year periods, with each optional renewal period having a maximum amount payable of \$868,500, and to take other actions necessary to uphold the agreement including any necessary changes, modifications, amendments, or termination.
3. The Sheriff, or his designee, to execute a Memorandum of Understanding (MOU) with the City of Sacramento (CITY) for operation and management of a red light photo enforcement system within the incorporated limits of the CITY for a two-year period effective upon execution of the MOU, with the option to renew the MOU for four one-year periods for a total of six years including any necessary changes, modifications, or amendments.

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BACKGROUND

At the August 6, 2019, meeting of the Board of Supervisors, Item No. 22 regarding approval of a contract with REDFLEX Traffic System, Inc. for provision of a red light photo enforcement system was continued to August 20, 2019, with the Board requesting additional information on three issues:

- 1. Additional detail about what obstacles Conduent ran into when implementing the red light photo enforcement system that the Sacramento Sheriff's Office (SSO) believes or has already confirmed REDFLEX will not run into.*
- 2. A description of the flexibility the SSO has in reducing the number of California Highway Patrol (CHP) staff assigned to the red light photo enforcement program in the event that the red light camera system is not operational.*
- 3. Annual reconciliation of the red light photo enforcement program's prior year revenues and expenditures.*

These issues are addressed below.

- 1. Additional detail about what obstacles Conduent ran into when implementing the red light photo enforcement system that the SSO believes or has already confirmed REDFLEX will not run into.***

The agreement with Conduent was terminated for cause primarily because Conduent failed to make any of the photo enforcement sites operational in accordance with the terms of the agreement and the agreed upon timeline. Conduent's difficulty in making the sites operational in a timely manner largely stemmed from their inability to obtain the necessary permits for installing the cameras and wiring required to operate the red light photo enforcement system.

The SSO is confident that REDFLEX will be able to make up to 25 photo enforcement sites operational within 30 days of contract execution. The SSO contracted with REDFLEX from December 16, 2008, through December 31, 2018, for provision of a red light photo enforcement system. As a result of having recently operated the red light photo enforcement system,

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REDFLEX's wiring and other infrastructure is still largely in place. No additional permits are required for the installation of any equipment. In order to make the red light photo enforcement system operational, REDFLEX needs to install new cameras on the existing wiring and infrastructure and perform the required calibration and testing.

2. A description of the flexibility the SSO has in reducing the number of CHP staff assigned to the red light photo enforcement program in the event that the red light photo enforcement system is not operational.

The current reduction of CHP staff is directly related to the red light photo enforcement system being nonoperational. The temporary reduction of one (1) CHP officer was a result of CHP understanding and recognizing the reduction in work as a result of the current non-operational status of the red light photo enforcement system. In addition, the contract with CHP states invoices will only be for direct costs and the agreement may be amended by written mutual agreement of both parties.

3. Annual reconciliation of the red light photo enforcement program's prior year revenues and expenditures.

The Office of Budget and Debt Management will work with the SSO to reconcile the expenditures and revenues of the red light photo enforcement program for the prior year on an annual basis. However, it should be noted that while it is possible to determine actual prior year expenditures, it is not possible to determine actual prior year revenue. Instead, revenue from the program will need to be estimated.

The total revenue cannot be determined precisely primarily due to these factors:

- Revenue from red light violations (as with other traffic violation fines and fees) is distributed to state and local jurisdictions in a complex manner according to state statute, and involves the allocation of a base fine and additional fees to numerous separate funds. Also, a portion of the funding is remitted back to the State according to the Trial Court Funding Act of 1997 (AB 233).

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- The County General Fund and certain special funds receive revenue from citations issued within the County and the City of Sacramento (the SSO manages the City's red light photo enforcement program), but also receive revenue from all other red light citations issued within the limits of the other incorporated cities. Elk Grove, Citrus Heights, and Rancho Cordova each operate their own red light photo enforcement programs and issue a significant number of citations. When the County receives revenue from red light violations, there is no way of knowing precisely what portion of the total revenue came from citations issued by each individual jurisdiction.
- The manner of resolution of each citation varies significantly as:
 - Some citations are not contested and are paid soon after issuance.
 - Judges have full discretion in adjudicating red light citations, that is, they may:
 - Dismiss the citation.
 - Order the citation paid in full.
 - Waive all or a portion of the fines and related fees.
 - Provide the offender attend traffic violator school, which alters the fines and fees paid.
 - Periodically, the State of California provides for a traffic ticket/infracton amnesty program.
 - Some fines are paid pursuant to installment plans, which have additional fees.
 - Some citations are never resolved.

The effect of these factors is to make estimating the revenue generated by the County red light photo enforcement program difficult. In order to estimate the revenue generated by the program, several assumptions must be made, including what percentage of citations are paid, and the average revenue from each paid citation. Small changes to these assumptions can result in significantly different revenue estimates.

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