

#:
6-B-1

AGENDA ITEM SUMMARY

Department:
Submitted By: Engineering & Public Works Department
Submitted For: Traffic Division

3. The County can obtain professional services and equipment from a vendor. The vendor would purchase, install and maintain the equipment and administer the program. Depending on how it is structured, this option has the potential to meet the Board directive. **(Continued on Page 3)**

Recommended by: _____
Division Director
Date
Approved By: By T. Well
County Engineer
Date 7/14/08

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact: See Comment Section B.

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures	\$ -0-	-0-	-0-	-0-	-0-
Operating Costs	-0-	-0-	-0-	-0-	-0-
External Revenues	-0-	-0-	-0-	-0-	-0-
Program Income (County)	-0-	-0-	-0-	-0-	-0-
In-Kind Match (County)	-0-	-0-	-0-	-0-	-0-
NET FISCAL IMPACT *	\$ -0-	-0-	-0-	-0-	-0-

see note below

ADDITIONAL FTE

POSITIONS (Cumulative) _____

Is Item Included in Current Budget? Yes _____ No _____

Budget Acct No.: Fund _____ Dept. _____ Unit _____ Object _____
Program _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

This item has no immediate fiscal impact.

* Depending on Board direction, a vendor will be selected and an agreement negotiated which will allow for the red light program to be implemented at no cost to the County.

C. Departmental Fiscal Review:

R. D. Ward 6/30/08

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

Fiscal Impact indeterminable at this time.

atwillhite 7.16.08
OFMB
SN 7/14/08 CN 7/15/08

Jim J. Frost 7/17/08
Contract Dev. and Control
Exp 7/17/08

B. Approved as to Form and Legal Sufficiency:

Monica R. Pitts 7/21/08
Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

I:\WPV\Agenda\Page2\Agnpgtwo2008\0000.Red Light Pgm.no impact

Background and Justification: (continued from page 1)

There are several ways of structuring vendor fees with red light camera vendors:

- Pay a monthly fee to the vendor for each installation location. The County would receive all of the collected revenue from the violations. The fee would hopefully cover the cost of paying the vendor's costs including equipment, installation, maintenance and violation processing. The disadvantage of this option is that the vendor receives a fixed monthly amount regardless of the number of fines collected. This option may result in County costs if the revenue collected does not cover the monthly vendor fee and the County's operational costs.

- Pay a monthly fee to the vendor for each installation location and an amount for each fine collected. The monthly fee would cover the cost of equipment, installation and maintenance. The County would receive all of the collected revenue from the violations and then pay the vendor a fixed amount for each location and each collected violation. The advantage of this option is that the majority of vendor compensation would be related to their capital and operating costs. This option may result in the County incurring costs if the revenue does not cover the costs.

- The vendor keeps a percentage of each violation fine collected. The vendor would absorb most/all of the capital, operating, billing and collection costs. The vendor percentage may or may not cover all the vendor capital and operating costs. However, this option would also not result in any County costs. The January 2005 Federal Highway Administration (FHWA) RED LIGHT CAMERA SYSTEMS OPERATIONAL GUIDELINES recommends that vendors not be compensated based on the number of violations issued. However, many governments around the country have chosen this approach. Staff believes that issues related to the vendor and/or standards used in determining violations can be eliminated through proper County oversight.

County oversight will be required in site selection, violation verification and program auditing for any of the options chosen.