

JUN 12 2009

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PUBLIC SAFETY

MOTION

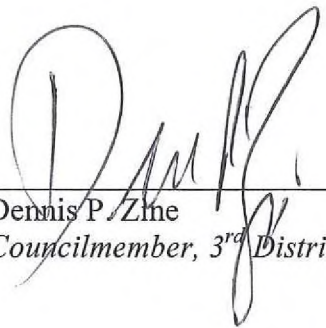
In order to promote traffic safety and reduce the number of accidents at intersections, the City of Los Angeles utilizes photo red light technology to expediently process citations for red light violators. Since 2006, this technology has been provided to the City through a contract with Nestor Traffic Systems (Nestor). Using cameras installed and operated by Nestor, the Los Angeles Police Department and the Department of Transportation oversee the photo red light program citywide.

On June 3, Nestor entered into a form of bankruptcy whereby the company has been placed under the direction of a court-appointed receiver. This arrangement may be made permanent by the court by the end of the month. It is anticipated that in the interim, the court and the company will seek a buyer to take on roughly \$33 million in debt. In light of these new facts, it is imperative that the City reevaluate its relationship with Nestor as soon as possible.


In the event that Nestor becomes insolvent, the City must be prepared to move forward with the photo red light program nonetheless. Public safety demands that all contracts with Nestor continue to be honored by Nestor or any future parent company. The City also should have a contingency plan in place to select a replacement vendor as quickly as possible should it become necessary to do so.

I THEREFORE MOVE that the Department of Transportation and the Los Angeles Police Department report to the City Council on the status of Nestor's financial viability and the effect of any bankruptcy filing by Nestor on City photo red light contracts, and inform the Council of the steps required to conduct an expedited Request for Proposals should it become necessary to select a new contractor to operate the photo red light program.

PRESENTED BY:


Dennis P. Zine
Councilmember, 3rd District

SECONDED BY:



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ORIGINAL