

## City Reaches Red Light Camera Settlement

Written by Jeffrey L. Boney

Thursday, 26 January 2012 09:18

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In what has become a tumultuous issue between City Hall and Houston voters, the City has reached a settlement with the company that manufactures the controversial red light cameras.

According to the settlement, American Traffic Solutions (ATS), will be paid \$2.3 million, the amount they would have received had the red light cameras never been turned off following the overwhelming voter initiative in November 2010 through December of 2011.

Additionally, ATS will receive another \$2.4 million over the next three years. This amount is meant to address what ATS could have received under its original contract with the city, based on the collection of delinquent red light camera fines.

Incredulously, ATS was seeking a whopping \$25 million from the city of Houston for breach of contract.

Mayor Annise Parker released a statement on behalf of the City of Houston saying, "I am thankful that traffic violators, not Houston taxpayers, will be paying for this. This is a reasonable settlement and I thank the City Legal Department for its diligence in getting it done."

The agreement brings an end to the legal fight that began when Houston City Council approved ending Houston's red light camera program, a move considered to be a breach of contract with American Traffic Solutions, which had approximately three years remaining on their contract.

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### **RED LIGHT CAMERA HISTORY**

The red light cameras, instituted by law in 2006, became a point of contention with many Houston citizens and civic groups, motivating them to gather the adequate number of signatures to call for it to be placed on the November 2010 ballot.

After succeeding to get the referendum on the ballot to turn off the cameras, Houston voters showed up at the polls to ensure its passage. Having won the referendum battle during the general election, the cameras were turned off immediately.

American Traffic Solutions (ATS), which is headquartered in Scottsdale, Arizona, sued the city of Houston for breach of contract.

In July 2011, a federal judge ruled that the referendum had been improperly placed on the ballot, rendering the results invalid. As a result, the city faced a choice to either turn the cameras back on or cancel its multi-million dollar contract with ATS.

The City, in an attempt to honor the will of the Houston voters, appealed the decision of U.S. District Judge Lynn Hughes. In the meantime, and given the limited options, the city ordered the cameras turned back on in July, 2011.

This action by the city led to tremendous backlash and even lawsuits concerning the legitimacy of tickets issued after the November election.

### **NEXT STEPS**

The settlement is on the Houston City Council agenda for consideration.

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American Traffic Solutions has agreed to take down the cameras from all Houston intersections within 60 days of approval by the Houston City Council of the settlement, in exchange for \$2.3 million and a percentage of the delinquent fines collected from the drivers who were caught running the red-lights.

The funds to pay the settlement to ATS are scheduled to come from previously collected fines that are in escrow and the approximately \$25 million the city is owed in outstanding red light camera fines issued when the program was still operational.

Andrew Burks, Jr., newly elected Houston City Councilman, told the Forward Times that he believes that it was a good settlement considering the situation the city was faced with.

“I believe it was a good settlement,” said Burks. “Our legal team did very well to lower the financial burden that the city would have to pay. Now we have to figure out a way to collect on these outstanding traffic citations.”

### **COLLECTIONS ARE THE KEY**

One of the biggest concerns of Houston citizens is how the city plans to cover the cost of the settlement if they are unable to collect on the delinquent citations.

Under the agreement, the city will also pay ATS \$240,000 for technical assistance, for access to video footage, as the city seeks to collect on those that refuse to pay their outstanding traffic citations, some of which are more than 5 years old.

Houston City Councilman and newly elected Mayor pro-tem Ed Gonzales told the Forward Times that the city is going to do all it can to ensure that these dollars are collected and will not impact Houston citizens in a negative way.

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“Those that have violated the red light camera ordinance in the past, are the ones being looked at to cover the cost of the settlement,” he said. “We feel confident that while we may not be able to collect every single penny, we will be able to collect sufficient monies to pay the bill without any additional burden to our citizens and taxpayers.”

### **EASIER SAID THAN DONE**

As easy as it may sound, the settlement and the arrangements do not guarantee that the Houston taxpayers will not have to pay.

If the city is unable to collect and cover the ATS obligation, city taxpayers will have to pay the remainder that is owed in installments over the next three years.

This would require the city to have to take money from the general fund, which is the fund that pays the police officers and firefighters that keep you safe, as well as other key services and operations of the city.

The City of Houston is going through its budget process right now, so the hope is that the city will be able to collect on the outstanding fees as planned, without burdening the taxpayers.

City Attorney David Feldman and the city legal department are strongly recommending that the council approve the settlement and are also recommending that city council authorize the mayor to enter into additional third party agreements to support the collection of outstanding fines, if needed.

There are many citizens and groups that have questioned the legitimacy of the fines that have already been assessed and whether or not they should be paid. The city’s legal department has maintained they have full legal authority and plan on collecting all of the red light camera tickets that are currently outstanding.

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As always, the Forward Times will keep you updated on the outcome of the red light camera settlement and the status of the collection efforts. {jcomments on}