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FOR IMMEDIATE RELEASE

January 26, 2016

**FORMER CITY OF CHICAGO TRANSPORTATION OFFICIAL CONVICTED OF CORRUPTION IN
AWARDING OF RED-LIGHT CAMERA CONTRACTS**

CHICAGO — The former assistant transportation commissioner for the city of Chicago was convicted today on federal corruption charges in connection with the awarding of lucrative red-light camera contracts.

After a two-week trial in federal court in Chicago, the jury convicted JOHN BILLS on all counts against him. The counts include nine counts of mail fraud; three counts of wire fraud; one count of extortion under color of official right; one count of conspiracy to commit bribery; three counts of bribery; and three counts of filing false tax returns. Bills, 54, of Chicago, faces a maximum combined sentence of 304 years in prison.

U.S. District Judge Virginia M. Kendall scheduled a sentencing hearing for May 5, 2016, at 10:00 a.m.

The conviction was announced by Zachary T. Fardon, United States Attorney for the Northern District of Illinois; Michael J. Anderson, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation; Joseph M. Ferguson, Inspector General for the City of Chicago; and James D. Robnett, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division in Chicago.

“By accepting bribes in exchange for influencing city contracts, John Bills deprived the city of Chicago of money and honest services,” said Mr. Fardon. “When public officials abuse their power and violate the public trust for personal gain, we will be there to hold them accountable.”

As an assistant transportation commissioner, Bills was a voting member of the city’s Request for Proposal evaluation committee, which sought vendors under the city’s Digital Automated Red Light Enforcement Program. In 2003, the committee recommended awarding contracts to Phoenix-based Redflex Traffic Systems Inc., to install cameras that automatically record and ticket drivers who run red lights. Evidence at trial revealed that from approximately 2003 to 2011, Bills used his influence to expand Redflex’s business with the city, resulting in millions of dollars in contracts for the installation of hundreds of red-light cameras. In exchange for his efforts, Redflex provided Bills with cash and personal benefits, including meals, golf outings, rental cars, airline tickets, hotel rooms and other entertainment.

Some of the benefits were given directly to Bills, while hundreds of thousands of dollars in cash was funneled to him through a friend, MARTIN O’MALLEY. Redflex hired O’Malley as a contractor and paid him lavish bonuses as new cameras were added in Chicago. O’Malley testified at trial that he often stuffed the bonus money into envelopes and gave it to Bills during meals in Chicago restaurants.

Between 2004 and 2008, Chicago paid Redflex approximately \$25 million. After KAREN FINLEY became CEO of Redflex in 2007, O’Malley’s commissions escalated and Redflex was awarded a “sole-sourced” contract for another \$33 million. The city then followed up that contract with another deal worth \$66 million – for the installation of nearly 250 additional red-light cameras.

Bills retired from the city in 2011.

Finley, of Cave Creek, Ariz., pleaded guilty last year to one count of conspiracy to commit bribery. She is scheduled to be sentenced by Judge Kendall on Feb. 18, 2016.

O’Malley, of Worth, pleaded guilty in December 2014 to one count of conspiracy to commit bribery. His sentencing date has not yet been set.

The government is represented by Mr. Fardon and Assistant U.S. Attorneys Laurie J. Barsella and Timothy Storino.

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