



U.S. Department of Justice
United States Attorney
Northern District of Illinois

Zachary T. Fardon
United States Attorney

Everett McKinley Dirksen United States Courthouse
219 South Dearborn Street, 5th Floor
Chicago, Illinois 60604
(312) 353-5300

FOR IMMEDIATE RELEASE

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**FORMER CITY OF CHICAGO TRANSPORTATION OFFICIAL SENTENCED TO TEN YEARS
FOR CORRUPTION IN AWARDING OF RED-LIGHT CAMERA CONTRACTS**

CHICAGO — The former assistant transportation commissioner for the city of Chicago was sentenced today to ten years in federal prison for his role in a corruption scheme involving the city's red-light camera contracts.

A jury in January convicted JOHN BILLS, 55, of Chicago, on all counts against him. The conviction included 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.

In addition to the 120-month prison sentence, U.S. District Judge Virginia M. Kendall also ordered restitution in the amount of \$2,032,959.50.

The sentence 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.

In 2003, as an assistant transportation commissioner, Bills was a voting member of the city's Request for Proposal (RFP) evaluation committee, which sought vendors under the city's Digital Automated Red Light Enforcement Program. In May 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. In addition, O'Malley testified that he used some of the bonus money paid to him by Redflex to purchase and pay all expenses for a condo in Arizona that Bills used as his own. O'Malley, of Worth, pleaded guilty in December 2014 to one count of conspiracy to commit bribery. He is scheduled to be sentenced by Judge Kendall on Sept. 12, 2016.

After KAREN FINLEY became CEO of Redflex, O'Malley's commissions escalated and Bills assisted Redflex in being awarded a "sole-source" contract for additional cameras. The sole source contract was rescinded when a competitor complained, and as the city began the process of issuing a second RFP in 2007, Bills, in his capacity as a non-voting, advisory member of the 2007 evaluation committee, assisted in ensuring that the RFP favored Redflex. 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 Nov. 10, 2016.

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

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