County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169

LEROY D. BACA, SHERIFF

October 19, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

RECOMMENDATION TO APPROVE AMENDMENT NUMBER FOUR TO AGREEMENT NUMBER 71832 WITH PACIFIC BELL TELEPHONE COMPANY DBA: SBC FOR INMATE TELEPHONE SERVICES FOR THE SHERIFF'S DEPARTMENT AND PROBATION DEPARTMENT DETENTION FACILITIES (ALL DISTRICTS) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman of the Board to sign the attached Amendment Number Four to Agreement Number 71832 (Agreement) with Pacific Bell Telephone Company, dba: SBC, California (SBC), effective November 3, 2004, which provides the following actions:

- Extends the current term of the Agreement until April 30, 2005, to provide continued telephone services for inmates in the Sheriff's Department and Probation Department detention facilities.

- Changes the commission rate to the County from 42 percent of gross revenue to 50 percent of SBC's gross billable amounts.

- Adds standard County contract provisions to bring the Agreement up-to-date.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the recommended actions is to request an extension until April 30, 2005, to allow SBC to continue to provide telephone services to inmates in the Sheriff's and Probation detention facilities, while allowing the Sheriff's Department and Probation Department to complete the solicitation process for a new telephone service agreement for County inmates.

Implementation of Strategic Planning Goals

The services provided under this Agreement support the County's Strategic Goal #1 for Service Excellence. Specifically, the Amendment will enable the County to provide telephone service to the Sheriff's Department and Probation Department inmates. It also supports the County's Strategic Goal #4 for Fiscal Responsibility by ensuring fiscally sound provision of services.

FISCAL IMPACT/FINANCING

There is no net County cost for these services. The current agreement with SBC provides for revenues paid to the Sheriff's Inmate Welfare Fund at a rate of 42 percent of SBC's gross revenue for telephone service from its current locations in the Sheriff's and Probation detention facilities, or an annual guaranteed commission, whichever is greater. In addition, SBC is paying the County an annual sign-up incentive bonus at the beginning of each contract year. In the Amendment, SBC will increase the commission rate to the County from 42 percent of gross revenue to 50 percent of its gross billable amounts, but there will be no guaranteed annual commission nor the annual sign-up incentive bonus. This change will better protect the interest of both parties in the event of significant changes in the call volume.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Currently, there are three separate agreements with three different telephone companies for inmate telephone services. AT&T provides long distance telephone services for all inmates in the Sheriff's detention facilities in the County. The current agreement with AT&T will expire on April 30, 2005. Verizon provides local and Intralata telephone services in Sheriff's detention facilities in Palmdale, Lancaster and Mira Loma.

The current agreement with Verizon will expire April 30, 2005. SBC provides local telephone services in the Sheriff's and Probation detention facilities in the San Gabriel and San Fernando Valley, and the Central City areas. The current agreement with SBC will expire on November 2, 2004. The Department's intention with this extension is to continue telephone services while the Sheriff's Department solicits for a new consolidated service agreement.

The Contractor is in compliance with all Board, Chief Administrative Office, and County Counsel requirements, including Jury Service Program and Safely Surrendered Baby Law.

The Amendment has been approved as to form by County Counsel.

CONTRACTING PROCESS

The Sheriff's Department has begun the solicitation process for a new consolidated telephone service agreement and released the Request for Proposals (RFP) in September, 2004. The Sheriff's Department anticipates that the solicitation process will be completed by the end of the year and will return to your Board in early 2005 to seek approval for a new agreement.

IMPACT ON CURRENT SERVICES

Your Board's approval of this Amendment will ensure continued and uninterrupted telephone services by providing the means for inmates to communicate with their family members and ease the burden of confinement.

CONCLUSION

Upon approval by your Board, please return an adopted copy of this action and four (4) original executed copies of the Amendment to the Sheriff's Department, Fiscal Administration, Contracts Unit.

Respectfully submitted,

LEROY D. BACA
SHERIFF

RICHARD SHUMSKY
CHIEF PROBATION OFFICER

COUNTY OF LOS ANGELES

AMENDMENT NO. FOUR TO AGREEMENT NO. 71832 WITH PACIFIC BELL TELEPHONE COMPANY, D/B/A SBC CALIFORNIA, (SBC) FOR TELEPHONE SERVICES FOR INMATES IN PROBATION DEPARTMENT AND SHERIFF'S DEPARTMENT DETENTION FACILITIES

This Amendment Number Four ("Amendment") is entered into by and between the County of Los Angeles (hereinafter "COUNTY") and PACIFIC BELL TELEPHONE COMPANY d/b/a SBC California, (hereinafter "CONTRACTOR"), effective as of November 3, 2004, based on the following recitals:

A. WHEREAS, on November 3, 1998, the COUNTY and CONTRACTOR entered into COUNTY Agreement Number 71832 (hereinafter "AGREEMENT") to provide telephone services for inmates in Probation Department and Sheriff's Department detention facilities for three (3) years;

B. WHEREAS, the Agreement was amended November 2, 2001 to extend the Agreement for one (1) year and terminating on November 2, 2002 (Amendment No. 1);

C. WHEREAS, the Agreement was amended November 2, 2002 to extend the Agreement for one (1) year, thereby terminating on November 2, 2003 (Amendment No. 2);

D. WHEREAS, the Agreement was amended November 2, 2003, among other reasons, to extend the Agreement for one (1) year, thereby terminating on November 2, 2004 (Amendment No. 3);

E. WHEREAS the parties wish to extend the Agreement until April 30, 2005 under the current terms of the Agreement, except as modified below;

NOW THEREFORE, in consideration of the foregoing recitals, all of which are incorporated as part of this AGREEMENT, COUNTY and CONTRACTOR hereby further agree to amend this AGREEMENT as follows:

1. Amend Paragraph 6.0, Term and Termination, to extend the contract period for an additional period from November 3, 2004 to April 30, 2005 ("Extension Period"). Extension of this Agreement beyond the Extension Period shall require mutual written amendment to this Agreement.

2. Section 7.0, CONTRACT SUM, is hereby deleted in its entirety and replaced with the following:

"In consideration of the rights and concessions granted to the CONTRACTOR as stated in the Agreement, CONTRACTOR shall compensate the COUNTY by paying a commission for revenue generated from calls made from the CONTRACTOR inmate pay phones covered under this Agreement ("commission payment") calculated as follows:

(a) fifty percent (50%) of the total billable SBC local, intraLATA and interLATA telephone calls placed from both the inmate and public pay telephones

"Billable" is defined as the total dollar amount actually billed, to the recipient of a telephone call in the case of a collect call, and to the prepaid calling card account or other debit account in the case of a pre-paid telephone call.

3. Section 8.0, PAYMENTS, is amended as follows:

   a. Section 8.1 is deleted and replaced in its entirety with the following:

      "CONTRACTOR shall pay the commission payments to SHERIFF in the form of check or draft issued and payable to COUNTY on or before the twenty-fifth (25th) day of the calendar month following each month of the term provided herein, as amended. The Commission payments as set forth in Section 7.0, as amended, shall be mailed or otherwise delivered to:

      Los Angeles County Sheriff's Department
      ATTN: Inmate Services Unit
      450 Bauchet Street, Room #E 888
      Los Angeles, CA 90012"

   b. Section 8.2 is deleted and replace in its entirety with the following:

      "CONTRACTOR shall pay the commission payments to PROBATION in the form of check or draft issued and payable to COUNTY on or before the twenty-fifth (25th) day of the calendar month following each month of the term provided herein, as amended. The Commission payments as set forth in Section 7.0, as amended, shall be mailed or otherwise delivered to:

      Los Angeles County Probation Department
      ATTN: Special Accounts
      9150 East Imperial Highway
      Downey, CA 90242

c. Section 8.3 is deleted and replaced in its entirety with the following:

"Each check or draft submitted by the CONTRACTOR shall be accompanied by a sales report reflecting (i) the commission month's total billables and the amount due the COUNTY under section 7.0, (ii) a detailed summary of call volume by telephone number, number of calls, number of minutes, and total billables."

d. Section 8.5 is added to the Agreement as follows:

8.5 COUNTY shall pay all applicable federal, state, and local taxes, including property taxes. COUNTY shall, in no event, be liable for payment of income taxes incurred by CONTRACTOR as a result of its operations under this Agreement.

4. EXHIBIT B of the Agreement, PAYMENT SCHEDULE, is hereby deleted in its entirety.

5. Section 60.0 is added to the Agreement as follows:

60.0 <u>NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT</u>

The Contractor shall notify its employees that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

6. Section 61.0 is added to the Agreement as follows:

61.0 <u>RECYCLED BOND PAPER</u>

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

Except as expressly provided in this Amendment Number Four, and to the extent they are not inconsistent with the provisions of this Amendment Number Four, all other provisions, and conditions of the AGREEMENT shall remain the same and in full force and effect.

CONTRACTOR and the person executing the Amendment on behalf of CONTRACTOR hereby represent and warrant that the person executing this Amendment Number Four for CONTRACTOR is an authorized agent who has actual authority to bind

CONTRACTOR to each and every item, condition, and obligation of the AGREEMENT and that all requirements of CONTRACTOR have been fulfilled to provide such actual authority.

[Continued on following page for signatures]

COUNTY OF LOS ANGELES

**AMENDMENT NO. FOUR TO AGREEMENT NO. 71832
WITH PACIFIC BELL TELEPHONE COMPANY, D/B/A SBC CALIFORNIA, (SBC)
FOR TELEPHONE SERVICES FOR INMATES IN PROBATION DEPARTMENT
AND SHERIFF'S DEPARTMENT DETENTION FACILITIES**

IN WITNESS WHEREOF, the Board of Supervisors has caused this Amendment to be subscribed by its Chairman and seal of said Board to be hereto affixed and attested to by its Executive Officer, and CONTRACTOR has caused this Amendment to be executed on its behalf by its duly authorized officer, effective as of November 3, 2004.

THE COUNTY OF LOS ANGELES

By:_____
Chairman, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer/Clerk
Board of Supervisors

By: _____
Deputy

PACIFIC BELL TELEPHONE
COMPANY (SBC)

By: Randall Feger

PRINT NAME: Randall Feger

TITLE: President- Pub. Com.

DATE: 10/5/04

APPROVED AS TO FORM:

Office of County Counsel

By: Gary Gross
Gary Gross
Principal Deputy County Counsel