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Date: June 20, 2016

Memo To: Board of Supervisors

From: Sheriff Dennis Conard

REF: Contract Amendment for Inmate Telephone System

October of 2015 the Federal Communication Commission issued a ruling placing a rate cap in inmate telephone systems. The ruling has an effective date of six months for jails from the time it was published in the Federal Register. It was published December 18th, 2015. Our current provider for inmate phone systems was affected by this ruling which requires an amendment to our current contract.

The FCC ruling will impact our projected revenues, procedures, and operations within the Scott County Jail. Part of our operational issues is inmates are currently purchasing phone cards, but are using those cards as commodities within the jail. We will be transitioning away from phone cards and using a telephone id/pin number system. Global Tel Link who is our current inmate phone provider estimates our calendar year 2015 commission payments to be approximately \$90,000. Based on current phone usage and the new rates, the new estimated revenue is approximately \$70,500 creating a projected revenue reduction of approximately \$19,500 annually. With the new rates going into effect June 20th, 2016 we are hopeful the phone usage will increase which will alter profit/loss projections.

The current contract with proposed amendment is attached and has been vetted by the Sheriff's Office and County Attorney's Office. It is our recommendation to the Board of Supervisors to authorize the Sheriff to sign the amendment.

Thank you.

AMENDMENT # 2 TO INMATE TELEPHONE SERVICE AGREEMENT

This Amendment # 2 (“Amendment”), takes effect as of the date signed by all the parties listed in this preamble (“Effective Date”), amends and revises that certain Inmate Telephone Service Agreement, dated March 27, 2014, as amended from time to time (the “Agreement”), by and between Global Tel*Link Corporation with an address of 12021 Sunset Hills Road, Suite 100, Reston, Virginia 20190 (“Company”), and Scott County, Iowa with an address of 600 West 4th Street, Davenport, IA 52801 (“Premises Provider”) (Company and Premises Provider collectively, the “Parties” and each a “Party”). All capitalized terms not defined herein shall have the definitions set forth in the Agreement.

WHEREAS, the Federal Communications Commission (“FCC”) issued its Second Report and Order and Third Further Notice of Proposed Rulemaking in WC Docket No. 12-375 on November 5, 2015 (“FCC Order”), which mandated rates and charges for inmate telephone services, certain transaction fees, and other requirements; and

WHEREAS, the Parties have agreed to amend the Agreement in order to, among other things, implement the FCC-mandated rates, charges, fees, and other requirements, as further provided below.

NOW, THEREFORE, in consideration of the promises and covenants set forth in this Amendment, and for good and valuable consideration, the sufficiency of which is acknowledged by the Parties’ signatures, the Parties agree as follows:

1. On June 20, 2016, the rates and charges for international, interstate, and intrastate inmate telephone service (“ITS”) calls and associated transaction fees (“Transaction Fees”) set forth in Exhibit B to the Agreement shall be deemed revised without further action by the Parties, and shall be implemented, as follows:

Inmate Telephone Services.

Interstate ITS calls made using a collect format: \$ 0.25 per minute of use.

Interstate ITS calls, whether made using a debit, prepaid/AdvancePay™ format: \$ 0.21 per minute of use.

Intrastate ITS calls, whether made using a collect, debit, prepaid/AdvancePay™ format: \$ 0.16 per minute of use.

International ITS calls, whether made using a debit, prepaid/AdvancePay™ format: Rates published on the Company’s website.

No per call, per connection, or flat-rate calling charges shall apply to international, interstate, and intrastate ITS per minute of use calls.

The rates charged are exclusive of taxes, and other amounts collected by Company on behalf of, or paid to, third parties, including but not limited to payments in support of statutory or regulatory programs mandated by governmental or quasi-governmental authorities, such as the Federal Universal Service Fee, and any costs incurred by Company in connection with such programs.

Transaction Fees. Company may charge certain Transaction Fees in accordance with the following amounts:

Fee for automated payment for credit card, debit card, and bill processing fees	\$3.00 per use
Fee for payment using live operator	\$5.95 per use
Fee for paper bill/statement	\$2.00 per use
Fee for use of third-party money transmitter (e.g., MoneyGram, Western Union, credit card processing, transfers from third-party commissary accounts)	The exact fee from the third-party provider passed through directly to customer with no markup

Single-Call and Related Billing Arrangements. Company may permit consumers to purchase ITS on a collect call basis through third-party billing arrangements that allow consumers to pay for a single ITS call using such methods as their debit or credit card, billing the cost of a single ITS call to their mobile phone account, or another arrangement. When a consumer chooses to pay for a single ITS call using such a method, the charge shall be any applicable transaction fee and other charges allowed by law.

2. Effective from the date the ITS call rates and charges, and Transaction Fees are revised by this Amendment, the commission payable to the Premises Provider under the Agreement shall be **five cents (\$0.05)** per minute on completed and billable intrastate inmate telephone calls using the ITS, and shall be paid within forty five (45) days following the month in which the call took place. The foregoing commission shall be paid on a one-time basis for each completed and billable intrastate inmate call, and shall replace any and all commissions or other monies payable under the Agreement by Company to the Premises Provider, or to any fund or third party designated by Premises Provider. For the avoidance of doubt, there shall be no commission payable by the Company on any Interstate ITS calls.
3. Company shall provide Premises Provider with the following additional services at no cost to the Premises Provider: GTL Called Party IQ; a debit interface with the Premises Provider's commissary vendor; including Imaging interface from AFIS to OMS.
4. Section 15 of the Agreement is hereby deleted in its entirety and replaced with the following:

Assignment. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective permitted successors and assigns, including but not limited, to any new administration or head of Premises Provider. Neither Party shall assign any right and/or obligation under this Agreement without the other Party's prior written consent, which shall not be unreasonably withheld or delayed; provided, however, Company shall have the right to assign some or all its rights and/or obligations under this Agreement at any time to any entity that controls, is controlled by or is under common control with Company (each an "Affiliate") without the consent of the Premises Provider; provided, further, Company shall remain liable for any failure of any Affiliate to perform any assigned obligations. For the avoidance of doubt, a merger involving (i) Company or (ii) a sale of Company or all of Company's assets shall not constitute an assignment requiring consent of Premises Provider for purposes of this Agreement."

5. The following is hereby added to the Agreement as Section 26:

Change-of-Law. Any rule, regulation, or other change mandated by any federal, state, or local authority which may interfere with or adversely affect Company's rights, obligations, or intended benefit under the Agreement shall entitle Company to, at its option, renegotiate or terminate the Agreement."

6. The following is hereby added to the Agreement as Section 27:

Service Schedules. Any Affiliate may provide services in its own name, as set forth in a service schedule attached to the Agreement ("Service Schedule"), and such Service Schedule shall be considered a separate, but associated, contract incorporating this Agreement; provided, however, Company shall be responsible for its Affiliates' performance pursuant to such Service Schedule."

In the event of any inconsistencies between the terms and conditions contained in the Agreement and the terms and conditions contained herein, the terms and conditions contained herein shall control. Except as set forth in this Amendment, the Agreement remains in full force and effect, without modification or amendment, and is hereby ratified and confirmed. This Amendment may be executed in multiple counterparts, each of which shall be an original, and all of which shall be one and the same contract. Original signatures transmitted by facsimile or electronic mail shall be effective to create such counterparts. Each person whose signature appears below warrants and represents that they have the requisite authority to execute this Amendment on behalf of the entity for which they are signing.

IN WITNESS WHEREOF, the foregoing Amendment has been executed by the Parties, effective as of the latest date listed below.

Company

Premises Provider

Global Tel*Link Corporation

Scott County, Iowa

By: _____

By: _____

Name: Jeffrey B. Haidinger

Name: _____

Title: President & COO

Title: _____

Date: _____

Date: _____

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

June 30, 2016

APPROVAL OF Global Tel Link (GTL) Contract Amendment for the Inmate
Telephone System

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

- Section 1. That the Board hereby approves the GTL contract amendment for the inmate telephone system.
- Section 2. That the Board approves this purchase.
- Section 3. That the Sheriff is approved to sign this contract amendment.
- Section 4. This resolution shall take effect immediately.