

**City and County of San Francisco
Office of Contract Administration
Purchasing Division**

Fourth Amendment

THIS AMENDMENT (“Amendment”) is made as of **June 20, 2016**, in San Francisco, California, by and between **GLOBAL TEL*LINK** (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

RECITALS

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, the City and Contractor desire to modify the Agreement, as previously amended, on the terms and conditions set forth herein to amend the calling rates and fees for inmate telephone services; and

NOW, THEREFORE, Contractor and the City agree as follows:

1. Definitions. The following definitions shall apply to this Fourth Amendment:

1a. Agreement. The term “Agreement” shall mean the Agreement dated June 1, 2010 between Contractor and City, as amended by the:

First Amendment dated June 1, 2013,
Second Amendment dated June 1, 2014, and
Third Amendment dated June 1, 2015.

1b. Contract Monitoring Division. Effective July 28, 2012, with the exception of Sections 14B.9(D) and 14B.17(F), all of the duties and functions of the Human Rights Commission under Chapter 14B of the Administrative Code (LBE Ordinance) were transferred to the City Administrator, Contract Monitoring Division (“CMD”). Wherever “Human Rights Commission” or “HRC” appears in the Agreement in reference to Chapter 14B of the Administrative Code or its implementing Rules and Regulations, it shall be construed to mean “Contract Monitoring Division” or “CMD” respectively.

1c. Other Terms. Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

2. Modifications to the Agreement. The Agreement is hereby modified as follows:

2a. Section 5, Section 5, Compensation of the Agreement currently reads as follows in the Second Amendment:

5. Compensation. Contractor shall pay the Sheriff's Department an annual payment of Sixty Eight Thousand Dollars (\$68,000.00) payable within thirty (30) days of the execution of this Second Amendment. In addition, Contractor shall pay the Sheriff's Department monthly the greater of either: (1) forty thousand dollars (\$40,000.00); or (2) the sum of a commission rate of **sixty percent (60%) calculated** monthly on all Gross Revenue generated by and through the Inmate Telephone System ("ITS"), including but not limited to all collect, debit, pre-paid inmate telephone calls, and coin operated telephones. "Gross Revenue" shall include, but not be limited to, all surcharges, per minute fees and any additional fees generated by the completion of all Local, Intralata/Intrastate, Interlata/Intrastate, Interlata/ Interstate and International collect, debit and pre-paid inmate telephone calls placed from Contractor's equipment located at the Facilities. Also, Contractor shall pay the Sheriff's Department an initial annual Technology Payment consisting of four (4) quarterly payments of one thousand four hundred seventy dollars (\$1,470.00) for a total of five thousand eight hundred eighty dollars (\$5,880.00) for the traffic period of March 2014 through February 2015. A supplemental quarterly Technology Payment in the amount of one thousand four hundred seventy dollars (\$1,470.00) will be paid in addition to the initial Technology Payment for the traffic months of March, April and May 2015. The initial annual and supplemental Technology Payments shall be payable to the Sheriff's Department in advance on or before June 15, 2014 provided, further however, the initial annual and supplemental Technology Payments shall be reduced by an amount equal to the portion already paid by Contactor.

The Sheriff's Department and Contractor ("the parties" collectively) shall conduct a review of the initial Technology Payment in June 2015 and shall mutually agree upon any adjustment to the Technology Payment for the period of March 2014 through May 2015 based on actual call volume and patterns. Any adjustment and associated true-up shall be due and payable on or before June 15, 2015.

Should the Agreement be extended on a month to month basis at the Sheriff Department's sole discretion, the amount of a monthly Technology Payment shall be determined by the adjusted Technology Payment. If no adjustment is implemented, the monthly Technology Payment shall be four hundred ninety dollars (\$490.00) paid to the Sheriff's Department until the expiration of the Agreement. Should a federal, state or local regulatory agency determine that the Technology Payment under this agreement must be adjusted, the parties shall work together in good faith to mutually restructure the Technology Payment as to comply with the agency determination.

The monthly commission payment of Gross Revenue for interlata/interstate traffic shall be calculated at zero percent (0 %.) The commission rate of Gross Revenue (as defined above) for all other call types shall remain at sixty percent (60 %).

Such section is hereby amended in its entirety to read as follows:

5. Compensation. Contractor shall pay the Sheriff's Department the greater of either: a commission rate or MMG as specified in the below table. The commission rate paid shall be calculated on all Gross Revenue generated by and through the ITS including but not limited to all collect, debit, pre-paid inmate telephone calls, and coin operated telephones. "Gross Revenue"

shall include, but not be limited to, all surcharges, per minute fees and any additional fees generated by the completion of all Local, Intralata/Intrastate, Interlata/Intrastate, Interlata/Interstate and International collect, debit and pre-paid inmate telephone calls placed from Contractor's equipment located at the Facilities.

Revenue Level	Commission Rate	MMG
\$70,000.01 – Greater	55%	\$38,500.01
\$50,000.01 – \$70,000.00	45%	\$22,500.00
\$45,000.01 – \$50,000.00	40%	\$18,000.00
\$0.00 – \$45,000.00	20%	\$0.00

The monthly Technology Payment shall be four hundred ninety dollars (\$490.00) paid to the Sheriff's Department until the expiration of the Agreement. Should a federal, state or local regulatory agency determine that the Technology Payment under this agreement must be adjusted, the parties shall work together in good faith to mutually restructure the Technology Payment as to comply with the agency determination.

The monthly commission payment of Gross Revenue for interlata/interstate traffic shall be calculated at zero percent (0 %.) The commission rate of Gross Revenue (as defined above) for all other call types is shown in the table above.

2b. Appendix B – Calculation of Charges; Section 1. C. Fees, currently reads as follows:

C. The Sheriff's Department agrees that the following description of charges, fees and taxes are cost recovery in nature, and therefore not considered revenue by GTL, and no commissions will be paid on these charges, fees and taxes:

Description of Charge	When Applied	Amount
Singe Bill Fee	Monthly per Paper Invoice	\$2.49
Automated IVR Deposit of \$25*	Per Transaction	\$6.75
Automated IVR Deposit of \$50*	Per Transaction	\$6.75
Credit Card Deposit through GTL Website**	Per Transaction	\$9.50
AdvancePay Account Close-Out Fee	One Time	\$5.00
Regulatory Recovery Fee - Prepaid Collect and Debit	Per Transaction	\$0.00
Regulatory Recovery Fee – Collect	Per Month	\$1.99
Deposit sent to GTL via Western Union***	Per Transaction	\$0.00
Certified Check or Money Order mailed to GTL	Per Transaction	\$0.00

Such section is hereby amended in its entirety to read as follows:

C. The Sheriff's Department and Contractor have mutually agreed upon the fees and charges for pre-paid collect accounts as detailed below, provided, however, for the

avoidance of doubt, such fees and charges shall not constitute Gross Revenue, and no commissions will be paid on these charges, fees and taxes:

Description of Charge	When Applied	Amount
Pre-Paid Collect Funding Fee (Live Representative)	Per Funding/Deposit	\$5.95
Pre-Paid Collect Funding Fee (Automated)	Per Funding/Deposit	\$3.00
Pre-Paid Collect Funding Fee (Check or Money Order)	Per Funding/Deposit	\$0.00
Refund Fee	Per Funding/Deposit	\$0.00
All Other Fees	Prohibited	\$0.00

The Department shall allow required regulatory charges and taxes that are intended to be paid by the called party and then remitted 100% by the billing party to the appropriate governmental agency.

2c. Appendix B – Calculation of Charges; Section 1. D. Calling Rates, currently reads as follows:

D. Both parties have mutually agreed upon the rates for inmate telephone calls, as detailed below. Should a federal, state or local regulatory agency or court determine that these rates are inconsistent with any applicable law, the parties agree to work together in good faith to adjust the rates consistent with any applicable laws.

CALL TYPE	COLLECT		PRE-PAID COLLECT		DEBIT AND/OR INMATE BASED PRE-PAID	
	<u>Surcharge</u>	<u>Per Minute Rate</u>	<u>Surcharge</u>	<u>Per Minute Rate</u>	<u>Surcharge</u>	<u>Per Minute Rate</u>
Local	\$1.25	\$0.10	\$1.25	\$0.10	\$1.25	\$0.10
Intralata/Intrastate	\$1.50	\$0.17	\$1.50	\$0.17	\$1.50	\$0.17
Interlata/Intrastate	\$1.50	\$0.17	\$1.50	\$0.17	\$1.50	\$0.17
Interlata/Interstate	\$0.00	\$0.25	\$0.00	\$0.21	\$0.00	\$0.21
International	n/a	n/a	n/a	n/a	\$3.95	\$1.60

Such section is hereby amended in its entirety to read as follows:

D. Both parties have mutually agreed upon the rates for inmate telephone calls, as detailed below. Should a federal, state or local regulatory agency or court determine that these rates are inconsistent with any applicable law, the parties agree to work together in good faith to adjust the rates consistent with any applicable laws.

CALL TYPE	COLLECT		PRE-PAID COLLECT		DEBIT AND/OR INMATE BASED PRE-PAID	
	<u>Surcharge</u>	<u>Per Minute Rate</u>	<u>Surcharge</u>	<u>Per Minute Rate</u>	<u>Surcharge</u>	<u>Per Minute Rate</u>
Local	\$0.00	\$0.14	\$0.00	\$0.14	\$0.00	\$0.14
Intralata/Intrastate	\$0.00	\$0.18	\$0.00	\$0.18	\$0.00	\$0.18
Interlata/Intrastate	\$0.00	\$0.18	\$0.00	\$0.18	\$0.00	\$0.18
Interlata/Interstate	\$0.00	\$0.18	\$0.00	\$0.18	\$0.00	\$0.18

2d. Appendix B – Calculation of Charges; Sections 2. A, B, and I. are hereby deleted in their entirety, and Section 2 shall be renumbered to reflect the changes indicated above.

2e. Sugar-Sweetened Beverage Prohibition. Section 58 is hereby added to the Agreement, as follows:

58. Sugar-Sweetened Beverage Prohibition. Contractor agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

3. Effective Date. Each of the modifications set forth in this Amendment shall be effective on and after **June 20, 2016**.

4. Legal Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.


IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY

CONTRACTOR

Recommended by:

GLOBAL TEL*LINK



Vicki Hennessy
Sheriff
San Francisco Sheriff's Department



Jeffrey B. Haidinger
President - Services
12021 Sunset Hills Road, Suite 100
Reston, VA 20190

City vendor number: **32285**

Approved as to Form:

Dennis J. Herrera
City Attorney

By: 
Jana Clark
Deputy City Attorney