State of Hawaii **Department of Public Safety Corrections Division**

September 27, 2010

ADDENDUM G

TO

REQUEST FOR PROPOSALS No. PSD 10-COR-09

INMATE PAY TELEPHONE SYSTEM (ITS) FOR CORRECTIONAL FACILITIES STATEWIDE

Additional responses to questions received:

What are the current call rates for inmate telephone calls? Question No. 1:

Response No. 1: Local (on island)

> Inter-Island (IntraLATA) \$1.45 plus usage Day (8am - 5pm M-F) *\$0.14/min* Eve/Night (5pm - 8am M-F, Sun) \$0.09/min Night/Weekend (Sat all day, Sun except 5pm - 8am) \$0.09/min

* Note: The \$1.95 charge is for local, on-island calls (i.e. Oahu facility to Oahu telephone number) for an unlimited number of minutes.

Question No. 2: What is the commission paid to the State by the current provider?

Response No. 2: Refer to Exhibit 1, Item 5

Question No. 3:

Would the State consider removing the requirement for a bid guaranty? Although such surety is not uncommon with RFPs of this type, the situation here is unique. First, the State already knows who the serious bidders are, because they sent representatives—sometimes at considerable cost—to all the site visits and the pre-bid meeting. Second, the successful bidder must install cabling and new phones in all of the facilities. The State has already indicated that it is aware of the high cost associated with this. After such an up-front expenditure, no vendor is going to default on this contract before recouping these costs, which will likely take the entire contract period. In the extremely unlikely event that the vendor does default, the State will already have received a considerable benefit in the form of the new cabling and phones. Requiring a bid guaranty only adds to the already very high initial costs of any contract.

Response No. 3: These are statutory requirements. Refer to Addendum D, response to questions

17 and 18.

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