

STATE OF ALASKA

Department of Administration

Division of Information Services

**5900 EAST TUDOR RD.
ANCHORAGE, AK 99507-1266**

SOLICITATION # 5356

INMATE TELEPHONE SYSTEM

Date of Issue: April 4, 1997

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SOLICITATION # 5356

STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION
DIVISION OF GENERAL SERVICES
2400 VIKING DRIVE
ANCHORAGE, AK 99501

THIS IS NOT AN ORDER

DATE SOLICITATION ISSUED: April 4, 1997

SEALED OFFERS WILL BE RECEIVED AT THE ABOVE ADDRESS UNTIL 2:30 p.m. ON May 1, 1997, AT WHICH TIME THEY WILL BE PUBLICLY OPENED.

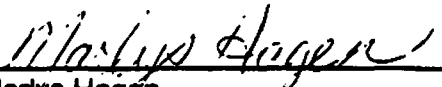
ITEMS ARE FOR DELIVERY TO: See Solicitation DELIVERY REQUIRED AT FINAL DESTINATION: See Solicitation DAYS AFTER RECEIPT OF ORDER.

F.O.B.: FINAL DESTINATION

You do not have to return this form if you do not wish to submit an offer.

SOLICITATION TITLE: Inmate Telephone System for State of Alaska Correctional Facilities

OFFEROR'S NOTICE: By signature on this form, the offeror certifies that: (1) the offeror has a valid Alaska business license and has written the license number below or has submitted one of the following forms of evidence of an Alaska business license with the offer: (a) a canceled check for the business license fee; (b) a copy of a business license application with a receipt date stamp from the state's business license office; (c) a receipt from the state's business license office for the license fee; (d) a copy of the offeror's valid business license; (e) a sworn notarized affidavit that the offeror has applied and paid for a business license; (2) the price(s) submitted was arrived at independently and without collusion and that the offeror is complying with; (a) the laws of the State of Alaska; (b) the applicable portion of the Federal Civil Rights Act of 1964; (c) the Equal Employment Opportunity Act and the regulations issued thereunder by the State and Federal Government; (d) the Americans with Disabilities Act of 1990, and (e) all terms and conditions set out in this Solicitation. If any offeror fails to comply with (1) or (2) of this paragraph, the State may reject the offer, terminate the contract, or consider the contractor in default.

 Mariys Hagen CONTRACTING OFFICER TELEPHONE NUMBER: 276-3320 TDD NUMBER: 276-0502 FAX: 278-0352	SOLICITATION PAGE 1 OF 59	DOES YOUR BUSINESS QUALIFY FOR THE ALASKA BIDDER'S PREFERENCE? <input type="checkbox"/> YES <input type="checkbox"/> NO SEE STANDARD TERMS & CONDITIONS FOR CRITERIA TO QUALIFY.
	COMPANY SUBMITTING OFFER	TAX ID #
	AUTHORIZED SIGNATURE	ALASKA BUSINESS LICENSE #
	PRINTED NAME	TELEPHONE NUMBER
	DATE	

**STANDARD TERMS AND CONDITIONS
HIGH TECHNOLOGY CONTRACTS**

INSTRUCTIONS TO OFFERORS:

1. SOLICITATION REVIEW: Offerors shall carefully review this solicitation for defects and questionable or objectionable material. Offerors' comments concerning defects and questionable or objectionable material in the solicitation must be made in writing and received by the purchasing authority at least ten (10) days before the offer opening date. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective offer, upon which award cannot be made, and the resultant exposure of offerors' prices. Offerors' original comments should be sent to the purchasing authority listed on the front of this solicitation.

2. OFFER FORMS: Offerors shall use this and attached forms in submitting offers. A photocopied offer may be submitted.

3. SUBMITTING OFFERS: Envelopes containing offers must be sealed, marked, and addressed as shown in the example below. Do not put the solicitation number and opening date on the envelope of a request for offer information. Envelopes with solicitation numbers annotated on the outside will not be opened until the scheduled date and time.

Offeror's Return Address

Department of Administration
Division of General Services
2400 Viking Drive
Anchorage, Alaska 99501

Solicitation No.: _____

Opening Date: _____

4. PRICES: The offeror shall state prices in the units of issue on this solicitation. Prices quoted must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title, the commodity can be utilized without further cost. Prices quoted in offers must be exclusive of federal, state, and local taxes. If the offeror believes that certain taxes are payable by the State, the offeror may list such taxes separately, directly below the offer price for the affected item. The State is exempt from Federal Excise Tax except the following:

- Coal - Internal Revenue Code of 1986 (IRC), Section 4121 - on the purchase of coal;
- "Gas Guzzler" - IRC, Section 4064 - on the purchase of low m.p.g. automobiles, except that police and other emergency type vehicles are not subject to the tax;
- Air Cargo - IRC, Section 4271 - on the purchase of property transportation services by air;
- Air Passenger - IRC, Section 4261 - on the purchase of passenger transportation services by air carriers.

5. VENDOR TAX ID NUMBER: If goods or services procured through this solicitation are of a type that is required to be included on a Miscellaneous Tax Statement, as described in the Internal Revenue Code, a valid tax identification number must be provided to the State of Alaska before payment will be made.

6. FILING A PROTEST: An offeror may protest the award of a contract or the proposed award of a contract for supplies, services, or professional services. The protest must be filed in writing and include the following information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. Protests will be treated in accordance with Alaska Statute (AS) 36.30.560-36.30.610.

GENERAL CONDITIONS:

1. COMPLIANCE: In the performance of a contract that results from this solicitation, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; and be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.

2. SUITABLE MATERIALS: Unless otherwise specified, all materials, supplies or equipment offered by an offeror shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.

3. SPECIFICATIONS: Unless otherwise specified in the solicitation, product brand names or model numbers specified in this solicitation are examples of the type and quality of product required, and are not statements of preference. If the specifications describing an item conflict with a brand name or model number describing the item, the specifications govern. Reference to brand name or number does not preclude an offer of a comparable or better product, if full specifications and descriptive literature are provided for the product. Failure to provide such specifications and descriptive literature may be cause for rejection of the offer.

- 4. FIRM OFFER:** For the purpose of award, offers made in accordance with this solicitation must be good and firm for a period of one hundred twenty (120) days from the date of offer opening.
- 5. EXTENSION OF PRICES:** In case of error in the extension of prices in the offer, the unit prices will govern; in a lot offer, the lot prices will govern.
- 6. OFFER PREPARATION COSTS:** The State is not liable for any costs incurred by the offeror in offer preparation.
- 7. CONSOLIDATION OF AWARDS:** Due to high administrative costs associated with processing of purchase orders, a single low offer of \$50 or less may, at the discretion of the State, be awarded to the next low offeror receiving other awards for consolidation purposes. This paragraph is not subject to the protest terms enumerated in "INSTRUCTION TO OFFERORS", "FILING A PROTEST" above.
- 8. CONTRACT FUNDING:** Offerors are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.
- 9. CONFLICT OF INTEREST:** An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, any resultant contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of any resultant contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract. This solicitation and any resultant contract is subject to AS 39.52, the Executive Ethics Act.
- 10. ASSIGNMENT(S):** Assignment of rights and duties under a contract resulting from this solicitation is not permitted unless authorized in writing by the State of Alaska, Department of Administration, Division of Information Services.
- 11. HOLD HARMLESS:** The contractor will indemnify, save harmless and defend the State, its officers, agents and employees from any and all claims or actions for injuries or damages sustained by any person or property arising directly or indirectly from the contractor's performance of any resultant contract; however, this provision has no effect, if, but only if, the sole proximate cause of the injury or damage is the State's negligence.
- 12. FORCE MAJEURE: (Impossibility to perform)** The contractor is not liable for the consequences of any failure to perform, or default in performing, any of its obligations under any resultant contract, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the contractor. For the purposes of any resultant contract, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.
- 13. LATE OFFERS:** Late offers are offers received after the time and date set for receipt of the offers. Late offers will not be accepted.
- 14. CONTRACT EXTENSION:** Unless otherwise provided in this solicitation, the State and the successful offeror/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.
- 15. DEFAULT:** In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.
- 16. DISPUTES:** Any dispute concerning a question of fact arising under any resultant contract which is not disposed of by mutual agreement shall be decided in accordance with AS 36.30.620-632.
- 17. CONSUMER ELECTRICAL PRODUCT:** AS 45.45.910 requires that "...a person may not sell, offer to sell, or otherwise transfer in the course of the person's business a consumer electrical product that is manufactured after August 14, 1990, unless the product is clearly marked as being listed by an approved third party certification program." Electrical consumer products manufactured before August 14, 1990, must either be clearly marked as being third party certified or be marked with a warning label that complies with AS 45.45.910(e). Even exempted electrical products must be marked with the warning label. By signature on this offer the offeror certifies that the product offered is in compliance with the law. A list of approved third party certifiers, warning labels and additional information

is available from: Department of Labor, Labor Standards & Safety Division, Mechanical Inspection Section, P.O. Box 107020, Anchorage, Alaska 99510-7020. (907)269-4925.

SPECIAL CONDITIONS:

- 1. SUPPLEMENTAL TERMS AND CONDITIONS:** Offers including supplemental terms and conditions will be accepted, but supplemental conditions that conflict with those contained in the solicitation or that diminish the State's rights under any contract resulting from this solicitation will be considered null and void. The State is not responsible for identifying conflicting supplemental terms and conditions before issuing a contract award. After award of the contract (1) if conflict arises between a supplemental term or condition included in the offer and a term or condition of the solicitation, the term or condition of the solicitation will prevail; and (2) if the State's rights are diminished as a result of application of a supplemental term or condition included in the offer, the supplemental term or condition will be considered null and void.
- 2. ORDER DOCUMENTS:** Except as specifically allowed under this solicitation, an ordering agency will not sign any vendor contract. The State is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the State under this solicitation. The State of Alaska Purchase Order, Contract Award and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this solicitation.
- 3. BILLING INSTRUCTIONS:** Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order, not to the Division of General Services. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.
- 4. COMPATIBILITY:** Contractors will be required to assist the State in determining the compatibility of their devices with other contracted devices. At the State's request, contractors will be required to demonstrate their equipment's claimed compatibility. Compatibility of offered devices will not be a criterion for award of the offer. However, it will be a factor in the hardware selection process from subsequent contracts resulting from this solicitation. Successful offerors/contractors are required, on request by the State, to provide all published data pertinent to the offered devices' compatibility with other peripheral devices.
- 5. INTENDED USE:** Except to the extent the State relies on representations made by the vendor, the State of Alaska agrees, with respect to the machines and programming, to accept responsibility for (1) their selection to achieve the State's intended results, (2) their use, and (3) the results obtained therefrom.
- 6. ASSOCIATED COSTS:** Offer prices must include all costs associated with shipping, packing and delivery to the specified FOB point, as well as any costs necessary to provide guarantee/warranty service, operating manual, and operating software and documentation specified in the solicitation.
- 7. CONTINUING OBLIGATION OF CONTRACTOR:** Notwithstanding the expiration date of a contract resulting from this solicitation, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.
- 8. PATENTS AND COPYRIGHTS:** A vendor will, at its expense, defend the State against any claim that any machines or programming supplied hereunder infringe a patent or copyright in the United States or Puerto Rico, and will pay all costs, damages and attorney's fees that a court finally awards as a result of such claim. To qualify for such defense and payment, the State must: (1) give the vendor prompt written notice of any such claim; and (2) allow the vendor to control, and fully cooperate with the vendor in, the defense and all related settlement negotiations. The vendor's obligation under this section is conditioned on the State's agreement that if the operation of the machines or programming becomes, or in the vendor's opinion are likely to become, the subject of such a claim, the State will permit the vendor, at its option and expense, either to procure the right for the State to continue using the machines or programming, or to replace or modify them so that they are non-infringing but still meet the State's needs as originally contracted. The vendor shall have no obligation with respect to any such claim based upon the State's modification of the machine or programming or their combination, operation or use with apparatus, data or programs not furnished by the vendor. This section states the vendor's entire obligation to the State regarding infringement.
- 9. RISK OF LOSS OR DAMAGE:** During the period on-order machines are in transit or in possession of the State, up to, and including the date of installation, as specified by the solicitation, or up to, and including the date of acceptance as specified by the State (pursuant to an Acceptance Test) if applicable, contractor and its insurers, if any, relieve the State of responsibility for all risk of loss of, or damage to, the machines except for loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination for which the State is legally liable. Thereafter, all risk of loss of, or damage to, such machines shall be on the State, except as described in "SPECIAL CONDITIONS", "WARRANTIES" below.

10. CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY: Contractor shall be liable for damages arising out of injury to persons and/or damage to the real or tangible personal property before or after acceptance, delivery, installation and use of the equipment either at the contractor's site or at the State's place of business, provided that the injury or damage was caused by the fault or negligence of the contractor or defect of the equipment. Contractor shall not be liable for damages arising out of, or caused by, alterations to the equipment (other than alterations performed or caused by contractor's officers, employees or agents); attachments made by the State; damages to said alterations or attachments that may result from the normal operation and maintenance of contractor's equipment, or for losses occasioned by the State's fault or negligence. Nothing in any resultant contract shall limit the contractor's direct liability, if any, to third parties and employees of the State for any remedy which may exist under law in the event a defect in the manufacture of the equipment, or the negligent acts or omissions of contractor, its officers, employees, or agents, is the cause of injury to such person.

11. WARRANTIES: Contractor warrants that the equipment, when installed, will be in good working order and will conform to the contractor's official published specifications and the technical specifications of the solicitation. Manufacturer's standard warranty provisions for the purchased equipment to the extent that they are not inconsistent with the terms of these Contractual Provisions, shall apply beginning on the date of installation. Maintenance charges, if applicable, shall not begin until the date of expiration of the warranty period. The use of the equipment will be under the State's exclusive management and control.

12. SEVERABILITY: If any provision of any resultant contract is declared by a court to be illegal or in conflict with applicable law, the validity of the remaining terms and provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

13. SECURITY INTEREST: Contractor reserves a security interest in each machine. In addition, when applicable, the security interest will be satisfied by the return to contractor by the State, of parts in respect to feature additions or model conversions that involve the removal of parts which become the property of contractor.

14. GENERAL: The State certifies that it is contracting with a vendor for this equipment for its own use and not for remarketing, and will not assign the on-order equipment to any party other than the contractor or contractor's affiliate without written consent of the contractor, which shall not be unreasonably withheld. The State reserves the right to sign any agreement which is deemed to be beneficial to the State. The State's solicitation, the contractor's response, and the resulting Contract Award will be the complete and exclusive statement of the agreement between the parties, superseding all proposals or prior agreements, oral or written, and all other communication between the parties relating to the subject matter hereof.

PREFERENCES:

1. ALASKAN BIDDER'S PREFERENCE: Award will be made to the lowest responsive and responsible offeror after an Alaskan bidder's preference of five percent (5%) has been applied. The preference will be given to a person who: (1) holds a current Alaska business license; (2) submits an offer for goods or services under the name on the Alaska business license; (3) has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six (6) months immediately preceding the date of the offer; (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship, and the proprietor is a resident of the state or is a partnership, and all partners are residents of the state; (5) if a joint venture, is composed entirely of venturers that qualify under (1) - (4) of this subsection. AS 36.30.170(b).

2. USE OF LOCAL FOREST PRODUCTS: In a project financed by state money in which the use of timber, lumber and manufactured lumber is required, only timber, lumber and manufactured lumber products originating in this state shall be used unless the use of those products has been determined to be impractical, in accordance with AS 36.15.010.

3. LOCAL AGRICULTURAL AND FISHERIES PRODUCTS PREFERENCE: When agricultural, dairy, timber, lumber, or fisheries products are purchased using state money, only those products harvested in Alaska, or in the case of fisheries products harvested or processed within the jurisdiction of Alaska, will be purchased, provided they are available, of comparable quality, and priced no more than seven percent (7%) higher than products harvested outside the state, or in the case of fisheries products harvested or processed outside the jurisdiction of the state, in accordance with AS 36.15.050.

4. ALASKA PRODUCT PREFERENCE: An offeror that designates the use of an Alaska Product which meets the requirements of the solicitation specification and is designated as a Class I, Class II or Class III Alaska Product by the Department of Commerce & Economic Development shall receive a preference in the offer evaluation in accordance with AS 36.30.332 and 3 AAC 92.010.

5. EMPLOYMENT PROGRAM PREFERENCE: If an offeror qualifies for the Alaskan bidder's preference, under AS 36.30.170(b), and is offering goods or services through an employment program, as defined under 36.30.990(10), and is the lowest responsive and responsible offeror with a offer that is no more than fifteen percent (15%) higher than the lowest offer, the procurement officer will make the award to that offeror, in accordance with AS 36.30.170(c) and 2 AAC 12.050.

6. ALASKANS WITH DISABILITIES PREFERENCE: If an offeror qualifies for the Alaskan bidder's preference, under AS 36.30.170(b), and is a sole proprietorship owned by a person with a disability, as defined in AS 36.30.170(j), and is the lowest responsive and responsible offeror with a offer that is no more than ten percent (10%) higher than the lowest offer, the procurement officer will make the award to that offeror, in accordance with AS 36.30.170(e).

7. EMPLOYERS OF PEOPLE WITH DISABILITIES PREFERENCE: If an offeror qualifies for the Alaskan bidder's preference, under AS 36.30.170(b), and, at the time the offer is submitted, employs a staff that is made up of fifty percent (50%) or more people with disabilities, as defined in AS 36.30.170(j), and submits a responsive and responsible offer that is no more than ten percent (10%) higher than the lowest responsive and responsible offer, the procurement officer will make the award to that offeror, in accordance with AS 36.30.170(f).

8. PREFERENCE QUALIFICATION LETTER: Regarding preferences 5, 6, and 7 above, the Division of Vocational Rehabilitation in the Department of Education maintains lists of Alaskan; [1] employment programs that qualify for preference, [2] individuals who qualify for preference as Alaskan's with disabilities, and, [3] employers who qualify for preference as employers of people with disabilities.

As evidence of an individual's or a business' right to a certain preference, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the preferences 5, 6, or 7 above, an individual or business must be on the appropriate Division of Vocational Rehabilitation list, at the time the offer is opened, and must provide the procurement officer a copy of their certification letter. Offerors must attach a copy of their certification letter to their offer. The offeror's failure to provide the certification letter mentioned above, with their offer, will cause the State to disallow the preference.

INMATE TELEPHONE SYSTEM

BACKGROUND

Inmates at the State of Alaska Department of Corrections (DOC) correctional facilities are guaranteed access to telephones under the Cleary¹ litigation. The Cleary litigation resulted in a settlement agreement which requires telephones be made available to inmates each day.

Currently, inmates in the DOC correctional facilities across the state use phones which provide local access and restricted long distance service. Inmates are required to place long distance telephone calls as collect calls.

DOC currently owns and operates telephone switching equipment in the form of private branch exchanges (PBX equipment) which provide local and long distance service for the inmate population. Local phone service is purchased from local telephone utilities in the respective geographic locations of the correctional facilities, while long distance service is provided via an operator assisted program by Alascom, Inc.

INTENT

It is the intent of the State of Alaska to vend out contract services to provide current state of the art inmate telephone equipment and necessary billing services in each of it's twelve (12) correctional facilities and the DOC headquarters. The various institutions are located in the following Alaska communities: Ketchikan, Juneau, Anchorage, Eagle River, Seward, Kenai, Palmer, Fairbanks, Nome, and Bethel.

The successful Contractor will provide all inmate telephone systems and monitoring equipment as specified in the System and General Specifications.

This will be a "turn-key" system.

All costs of equipment, installation, optimization, training, and ongoing operation of the systems are the responsibility of the Contractor.

All equipment installed by the Contractor at the correctional facilities will remain the sole and exclusive property of the Contractor. The State will not be responsible for any damage to equipment.

¹ Cleary v Smith, 3AN-81-5274 Civ, September 21, 1990, Final Settlement Agreement and Order, Page 28

The monitoring equipment shall be Dictaphone equipment. No other brand is acceptable. Inmate telephone system equipment identified by brand name within this document are for comparison purposes only. Actual telephone system equipment used or provided by the contractor must meet or exceed the specified equipment capabilities and capacities as set forth in the System and General Specifications section of this document.

The Contractor will be awarded a seven year contract based on the yearly dollar guarantee payment over the seven years to the State of Alaska Department of Corrections for the rights to provide such services.

SYSTEM REQUIREMENTS

Table One consists of the following information. This information should not be construed as a guarantee of call activity or the number of phones to be installed in any institution.

1. Number of inmates per institution.
2. Number of inmate phones presently used at each institution.
3. Number of intrastate calls made by institution during a 3 month period (late 1996) with total number of minutes involved.
4. Number of interstate calls made by institution during a 3 month period (late 1996) with total number of minutes involved.
5. Telephone utilities serving the various institutions.

It shall be the responsibility of the successful Contractor to design, install, optimize, train, and maintain the inmate telephone system and monitoring system provided to each correctional facility.

The system will handle calls from both sentenced inmates and pre-trial detainees. The system shall meet or exceed the requirements set forth in the System and General Specifications section of this solicitation.

The minimum requirements of the inmate phone system are:

1. There shall be no cost to the State in terms of equipment costs, installation, optimization, training, maintenance, and ongoing cost of operations. This includes cost of public utility certification of services to be provided, cost of telephone lines, and cost of telephone services provided by local telephone companies & long distance carriers in support of the inmate phone system.

The successful Contractor shall reimburse the Department of Corrections for the cost of state personnel time, travel, and per diem involved in quality assurance and acceptance testing of the systems. For budgetary purposes, the State of Alaska has determined a budgetary figure of \$35,000 for this cost. The successful Contractor shall

reimburse the Department of Corrections for these costs upon final acceptance of the entire system.

2. The successful Contractor will pay the State of Alaska Department of Corrections (DOC) a guaranteed yearly dollar payment over the life of the seven year contract. This payment shall be made in quarterly payments over each year on a schedule subject to approval between the Contractor and DOC.

A late payment is subject to 1.5% interest per month on the unpaid balance.

3. The inmate phone systems shall be configured for **outgoing calls only**. For long distance calls, the systems shall operate as a **"COLLECT CALL ONLY"**, Automated Operator system. The system shall not allow for incoming calls, at any time, to inmates.

The inmate phone systems shall provide inmates with free local call access.

4. The systems shall be designed such that pre-trial detainees and attorney calls from inmates will not have their conversations monitored, except as allowed by court order.

5. Prospective offerors must provide a pre-qualifying statement showing that the inmate phone system proposed has been in operation for a minimum of two years. Offerors must also provide a list of at least 4 systems (including phones and monitoring systems) comparable in size and complexity to the system required by this solicitation that have been installed successfully by the offeror. The list shall include contact names, addresses, and phone numbers.

Failure to provide such a pre-qualifying statement shall be grounds to deem the offer non-responsive.

6. The systems shall be capable of blocking toll free and other such numbers, third party calls, call forwarding, and specific numbers. On third party calls, the requirements will call for the line to automatically disconnect if such a call is detected.

7. The systems will be designed to provide inmates with a "PIN" number assignment.

Department of Corrections (DOC) would like to have the systems provide for exclusion of "PIN" number assignments to pre-trial detainees. Since DOC facilities may house both inmate and pre-trial detainees, the preference is for a system that can accommodate this requirement.

Different voice announcements for inmate and pre-trial detainee calls shall be provided.

8. The systems shall have the ability to limit the duration of inmate and pre-trial detainee calls with a notification of time limit at points three minutes, one minute, and 30 seconds before conclusion. Exceptions will be made in the case of attorney calls.

9. The systems must prevent dialing a second number after a called party hangs up.

10. This will be a "turn-key" system. On site training shall be provided for all operators of the inmate phone system. Such training shall include operation and first echelon maintenance of all equipment supplied.

The successful Contractor will be required to submit their filing for Alaska Public Utilities Commission (APUC) Certification within 30 days following contract award.

The overall system shall be installed and fully operational within 120 days of Alaska Public Utilities Commission (APUC) certification of the successful Contractor. Successful Contractor shall comply with the APUC requirements as shown in Exhibit One.

Acceptance testing shall be performed at each facility in the presence of DOC personnel and/or their designated representative.

TABLE ONE		
<u>Institution</u>	<u># of Inmates</u>	<u># of Phones</u>
Annex Correctional Center 625 "C" Street Anchorage, AK 99501	114	15
Anvil Mountain Correctional Center Mile 3 Center Creek Road Nome, AK 99762	106	5
Cook Inlet Pre-Trail Facility 1300 East 4th Ave. Anchorage, AK 99510	420	28
Fairbanks Correctional Center 1931 Eagan Street Fairbanks, AK 99707	240	9

TABLE ONE		
<u>Institution</u>	<u># of Inmates</u>	<u># of Phones</u>
Hiland Mountain/Meadow Creek Correctional Center 9.5 New Glenn Highway Eagle River, AK 99577	288	19
Ketchikan Correctional Center 1201 Schoenbar Rd. Ketchikan, AK 99901	55	3
Lemon Creek Correctional Center 2000 Davis Rd. Juneau, AK 99801	205	23
Mat-Su Pre-Trial Facility 339 East Dogwood Palmer, AK 99654	100	9
Palmer Correctional Center Mile 58 Glenn Highway Palmer, AK 99645	416	10
Spring Creek Correctional Center Mile 5 Nash Road Seward, AK 99664	562	36
Wildwood Correctional/Wildwood Pre-Trial Chugach Ave. Bldg. 10 (Correctional) First St. Bldg. 5 (Pre-Trial)/ Kenai, AK 99611	348	17
Yukon-Kuskokwim Correctional Center Airport Rd. Bethel, AK 99559	120	6

TABLE ONE

Telephone Utilities Servicing DOC Correctional Facilities

UTILITY	SERVING
<p>ACS Anchorage Telephone Utility 600 Telephone Ave. PO Box 92100 Anchorage, AK 99503 ANCH, AK TEL: 907-564-7300 99509 2400</p>	<p>Cook Inlet Pre-Trial Annex Correctional Ctr.</p>
<p>GCI PTI Communications 3940 Arctic Blvd. PO Box 99016 Anchorage, AK 99503 ANCH, AK TEL: 907-562-1231 99509 9016</p>	<p>Lemon Creek Correctional Ctr. Wildwood Correctional/Wildwood Pre-Trial Facility</p>
<p>AT&T ALASCOM GTE Alaska 4300 "B" St. Suite 303 Anchorage, AK 99503 TEL: 907-563-2199</p>	<p>Yukon-Kuskokwim Correctional Ctr Spring Creek Correctional Ctr Anvil Mt. Correctional Ctr</p>
<p>OK Ketchikan Public Utilities 2930 Tongass Ave. Ketchikan, AK 99901 TEL: 907-225-1000</p>	<p>Ketchikan Correctional Ctr.</p>
<p>Fairbanks Municipal Utility P.O. Box 72215 Fairbanks, AK 99707 TEL: 907-459-6221</p>	<p>Fairbanks Correctional Ctr.</p>
<p>OK Matanuska Telephone Association 4740 South Chugach St. PO Box 309 Palmer, AK 99645-3009 TEL: 907-745-3211</p>	<p>Palmer Correctional Ctr. Mat-Su Pre-Trial Facility Hiland Mt./Meadow Creek Correctional Ctr.</p>
<p>AT&T ALASCOM Inc. TELALASICA 240 E. Bluff Dr. PO Box 23369 Anchorage, AK 99501 ANCH, AK TEL: 907-260-7000 99503 369</p>	<p>Long Distance Carrier Intra/Inter state</p>

YKCC ✓
SCCC, UWCC
ACC, AMCC
FCC, HMCC
KCC, LCCC
MSPT, PCC

FCC, MSPT

HMCC
MSPT
PCC
PTMAC

SCCC
AMCC

TABLE ONE	
Telephone Utilities Servicing DOC Correctional Facilities	
<u>UTILITY</u>	<u>SERVING</u>
GCI 1551 Lore Road Anchorage, AK 99507 TEL: 907-522-1776	Long Distance Carrier Intra/Inter state

Table One**Legend:**

SCCC= Spring Creek Correctional Facility/Seward

FCC= Fairbanks Correctional Facility/Fairbanks

WWCC= Wildwood Correctional/Pre-Trial Facilities/ Kenai

HMCC= Hiland Mt/Meadow Creek Correctional Facilities/Eagle River

LCCC= Lemon Creek Correctional Facility/Juneau

PCC= Palmer Correctional Facility/Palmer

CIPT= Cook Inlet Pre-Trial Facility/Anchorage

ANNEX= Annex Correctional Center/Anchorage

MSPT= Matsu Pre-Trial Facility/Palmer

AMCC= Anvil Mountain Correctional Facility/Nome

YKCC= Yukon Kuskokwim Correctional Facility/Bethel

KCC= Ketchikan Correctional Center/Ketchikan

TABLE ONE						
Analysis of Calls Made						
<u>Intrastate</u>	<u>SCCC</u>	<u>FCC</u>	<u>WWCC</u>	<u>HMCC</u>	<u>LCCC</u>	<u>PCC</u>
<u>3 month period</u>						
<u># Calls</u>	3,018	4,231	9,023	4,958	4,494	9,328
<u># Minutes</u>	48,989	37,175	126,079	55,936	65,267	116,474
	<u>CIPT</u>	<u>ANNEX</u>	<u>MSPT</u>	<u>AMCC</u>	<u>YKCC</u>	<u>KCC</u>
<u># Calls</u>	67	15	2,650	4,771	1,484	1,398
<u># Minutes</u>	289	77	27,148	45,144	10,555	18,332

TABLE ONE						
Analysis of Calls Made						
<u>Interstate</u>	<u>SCCC</u>	<u>FCC</u>	<u>WWCC</u>	<u>HMCC</u>	<u>LCCC</u>	<u>PCC</u>
<u>3 month period</u>						
<u># Calls</u>	660	1,297	11,079	1,139	1,974	1,855
<u># Minutes</u>	65,946	24,652	34,341	19,451	26,081	28,826
	<u>CIPT</u>	<u>ANNEX</u>	<u>MSPT</u>	<u>AMCC</u>	<u>YKCC</u>	<u>KCC</u>
<u># Calls</u>	128	25	598	177	45	380
<u># Minutes</u>	920	379	11,418	2,566	430	5,234

DOC WEB

GENERAL SPECIFICATIONS

The State is seeking an inmate telephone system with the following:

1. The inmate telephone system should be able to restrict calls to selected numbers and have the capability to control the duration, frequency, and quantity of calls by individual inmates. The Contractor shall be responsible for billing and collection of all long distance intra/interstate calls and local toll charges. The inmate telephone system will provide inmates with free local call access.
2. **Monitoring System:** A Dictaphone monitoring system shall be provided as part of the inmate telephone system package. **No other brand is acceptable.**

At this time the Spring Creek Correctional Facility (in Seward, Alaska) has a Dictaphone 40 line monitoring system in operation. The Spring Creek equipment shall be replaced in accordance with Table Two.

The contractor will equip all correctional facilities with Dictaphone monitoring systems in accordance with Figure One and Table Two. It will be the contractor's responsibility to ensure a complete and working system.

As part of the overall "turn-key" system, the successful contractor will install and optimize all monitoring equipment. The contractor will be responsible for maintenance of the monitoring systems throughout the life of the contract.

Note to Offerors: If you are offering an alternative item to the inmate telephone system specified, you must include sufficient descriptive literature with your offer for the State to make a detailed analysis between the items specified and the items offered by your firm. Failure to submit this detailed descriptive data/literature may be cause for your offer to be determined non-responsive.

FIGURE ONE

MONITORING SYSTEM CONFIGURATION

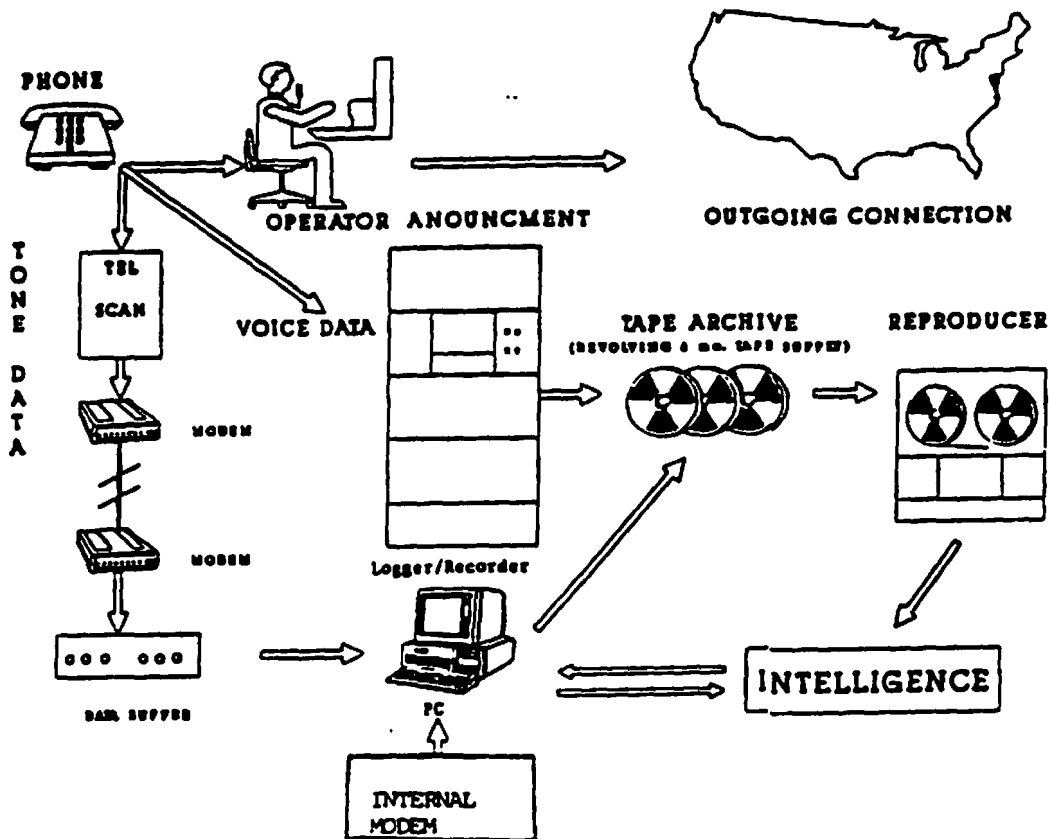
The computer and monitoring software shall not change the system functionality in any way. The software shall be utilized alone as a method to maintain the monitoring database and investigation of call records. It shall be used with a logging recorder for verification and archiving of inmate conversations. The system must interface with the existing Jail Management Data Base in use by Department of Corrections.

The following description and flowchart shall illustrate the system configuration:

When an inmate dials the phone, the conversation is immediately recorded on the logger recorder. At the same time, a tip and ring scanner shall record & index the Station Message-Detail Recording (SMDR) information. SMDR information shall consist of area code and phone number dialed, date call was made, time call was initiated, length of call, the channel that was used for the call, and the site location of the system.

This data shall be transmitted by modem to a data buffer which will store up to a minimum of 10,000 call records. The data buffer shall be designed to store the call detail record information and feed it into a personal computer (PC) for analysis and processing by monitoring software. The PC shall be equipped with software to track these phone records over a period of time.

INMATE MONITORING SYSTEM



TRAINING

On site training shall be provided for all operators of the monitoring systems. Such training shall include operation and first echelon maintenance of all equipment supplied, and training on use of software provided with the system.

TABLE TWO**Legend:**

SCCC= Spring Creek Correctional Facility/Seward

FCC= Fairbanks Correctional Facility/Fairbanks

WWCC= Wildwood Correctional/ Pre-Trial Facilities/Kenai

HMCC= Hiland Mt./Meadow Creek Correctional Facilities/Eagle River

LCCC= Lemon Creek Correctional Facility/Juneau

PCC= Palmer Correctional Facility/Palmer

CIPT= Cook Inlet Pre-Trial Facility/Anchorage

ANNEX= Annex Correctional Center/Anchorage

MSPT= Matsu Pre-Trial Facility/Palmer

AMCC= Anvil Mountain Correctional Facility/Nome

YKCC= Yukon Kuskokwim Correctional Facility/Bethel

KCC= Ketchikan Correctional Center/Ketchikan

HQ= Corrections Headquarters/Anchorage

TABLE TWO

<u>System Components:</u>	<u>SCCC</u>	<u>FCC</u>	<u>WWCC</u>	<u>HMCC</u>	<u>LCCC</u>	<u>PCC</u>	<u>CIPT</u>
PC 486/66 MHZ	1	1	1	1	1	1	1
360 MB hard drive	1	1	1	1	1	1	1
14.4 internal modem	1	1	1	1	1	1	1
250 MB tape drive with 11 tapes	1	1	1	1	1	1	1
SVGA color monitor	1	1	1	1	1	1	1
Laser Jet 4 printer	1	1	1	1	1	1	1
DOS Ver. 6.2	1	1	1	1	1	1	1

TABLE TWO

<u>System Components:</u>	<u>SCCC</u>	<u>FCC</u>	<u>WWCC</u>	<u>HMCC</u>	<u>LCCC</u>	<u>PCC</u>	<u>CIPT</u>
Windows 3.1	1	1	1	1	1	1	1
Wordperfect 5.2	1	1	1	1	1	1	1
Filemaker Pro	1	1	1	1	1	1	1
PC Anywhere Host	1	1	1	1	1	1	1
Norton Utilities	1	1	1	1	1	1	1
Norton Back Up	1	1	1	1	1	1	1
1200 watt UPS supply	1	1	1	1	1	1	1
Parallel printer cable	1	1	1	1	1	1	1
Serial comm. cable	1	1	1	1	1	1	1
30 each diskettes	1	1	1	1	1	1	1
Diskette storage box	1	1	1	1	1	1	1
9712-032 Dictaphone Logger	0	0	0	0	0	0	1
Dictaphone Reproducer w/ rec.	2	1	0	0	1	0	1
9712-024 Dictaphone Logger	1	0	1	1	1	0	0
9712-016 Dictaphone Logger	1	1	0	0	0	1	0
9712-008 Dictaphone Logger	0	0	0	0	0	0	0
Caster wheel base assembly	2	1	1	1	1	1	1
Dictaphone cassette recording panel	2	1	1	1	1	1	1
Time Code converter	2	1	1	1	1	1	1
Remote CRT w/ rec.	1	1	1	1	1	1	1
Dual back up power	2	1	1	1	1	1	1

TABLE TWO

<u>System Components:</u>	<u>SCCC</u>	<u>FCC</u>	<u>WWCC</u>	<u>HMCC</u>	<u>LCCC</u>	<u>PCC</u>	<u>CIPT</u>
120 meter cartridges for loggers	174	45	75	80	90	45	181
DAT cleaning cartridges	5	5	5	5	5	5	5
Headphones	1	1	1	1	1	1	1
Dictaphone cleaning pads/5 years	1	1	1	1	1	1	1
Tip/Ring Scanner	1	1	1	1	1	1	1
Pollcat buffer (512K)	1	1	1	1	1	1	1
Modems	2	2	2	2	2	2	2
Call Watch Software	1	1	1	1	1	1	1
Ask Call Watch/Query	1	1	1	1	1	1	1
Access Journals (Manuals)	1	1	1	1	1	1	1
Advisal/Location Signs @ each telephone location	1	1	1	1	1	1	1
Area Code Directory	1	1	1	1	1	1	1
Cassette Recorder	1	1	1	1	1	1	1
50 each cassettes	1	1	1	1	1	1	1
City Directory	1	1	1	1	1	1	1
Digit Grabber	1	1	1	1	1	1	1
Zip Code Directory	1	1	1	1	1	1	1

TABLE TWO						
System Components:	ANNEX	MSPT	AMCC	YKCC	KCC	HQ
PC 486/66 MHZ	0	1	1	1	1	1
360 MB hard drive	0	1	1	1	1	1
14.4 internal modem	0	1	1	1	1	1
250 MB tape drive with 11 tapes	0	1	1	1	1	1
SVGA color monitor	0	1	1	1	1	1
Laser Jet 4 printer	0	1	1	1	1	1
DOS Ver. 6.2	0	1	1	1	1	1
Windows 3.1	0	1	1	1	1	1
Wordperfect 5.2	0	1	1	1	1	1
Filemaker Pro	0	1	1	1	1	1
PC Anywhere Host	0	1	1	1	1	1
Norton Utilities	0	1	1	1	1	1
Norton Back Up	0	1	1	1	1	1
1200 watt UPS supply	0	1	1	1	1	1
Parallel printer cable	0	1	1	1	1	1
Serial comm. cable	0	1	1	1	1	1
30 each diskettes	0	1	1	1	1	1
Diskette storage box	0	1	1	1	1	1
9712-032 Dictaphone Logger	0	0	0	0	0	0
Dictaphone Reproducer w/ rec.	0	0	0	0	0	1
9712-024 Dictaphone Logger	0	0	0	0	0	0
9712-016 Dictaphone Logger	0	1	0	0	0	0

TABLE TWO

System Components:	ANNEX	MSPT	AMCC	YKCC	KCC	HQ
9712-008 Dictaphone Logger	0	0	1	1	1	0
Caster wheel base assembly	0	1	1	1	1	0
Dictaphone cassette recording panel	0	1	1	1	1	0
Time Code converter	0	1	1	1	1	0
Remote CRT w/ rec.	0	1	1	1	1	0
Dual back up power	0	1	1	1	1	0
120 meter cartridges for loggers	0	45	25	25	15	0
DAT cleaning cartridges	0	5	5	5	5	0
Headphones	0	1	1	1	1	0
Dictaphone cleaning pads/5 years	0	1	1	1	1	0
Tip/Ring Scanner	0	1	1	1	1	0
Pollcat buffer (512K)	0	1	1	1	1	0
Modems	0	2	2	2	2	0
Call Watch Software	0	1	1	1	1	0
Ask Call Watch/Query	0	1	1	1	1	0
Access Journals (Manuals)	0	1	1	1	1	0
Advisal/Location Signs @ each telephone location	0	1	1	1	1	0
Area Code Directory	0	1	1	1	1	0
Cassette Recorder	0	1	1	1	1	0
50 each cassettes	0	1	1	1	1	0
City Directory	0	1	1	1	1	0
Digit Grabber	0	1	1	1	1	0

TABLE TWO						
<u>System Components:</u>	<u>ANNEX</u>	<u>MSPT</u>	<u>AMCC</u>	<u>YKCC</u>	<u>KCC</u>	<u>HQ</u>
Zip Code Directory	0	1	1	1	1	0

FEATURES OF INMATE TELEPHONE SYSTEM

Telephone Set

Each telephone set shall be an intelligent "stand alone" unit that offers a wide range of features, high speed microprocessors, large capacity memory which perform functions such as automated operator collect only for outgoing calls, number blocking, number acceptance, free numbers, and automatic call timing. Call records and programmable data are to be stored in on-board, non-volatile memory devices for maximum data integrity.

Controller Module

The "controller module" may be located inside the telephone itself or centrally located in an equipment room. Remote down-loading of call data and up-loading of programmable information is to be accomplished via modem from a central data center. This communication process shall employ high-level security measures to assure maximum protection from unauthorized access and "hacker" intervention. Storage capacity for call records when operating in a "stand alone" mode will be at least 270 calls per Inmate Telephone before "download" and the number database may be revised as necessary via modem.

The phone case and all external hardware components are to be manufactured of high strength, flame resistant, tamper-proof materials that create a safe, secure device designed for years of reliable service in a correctional environment.

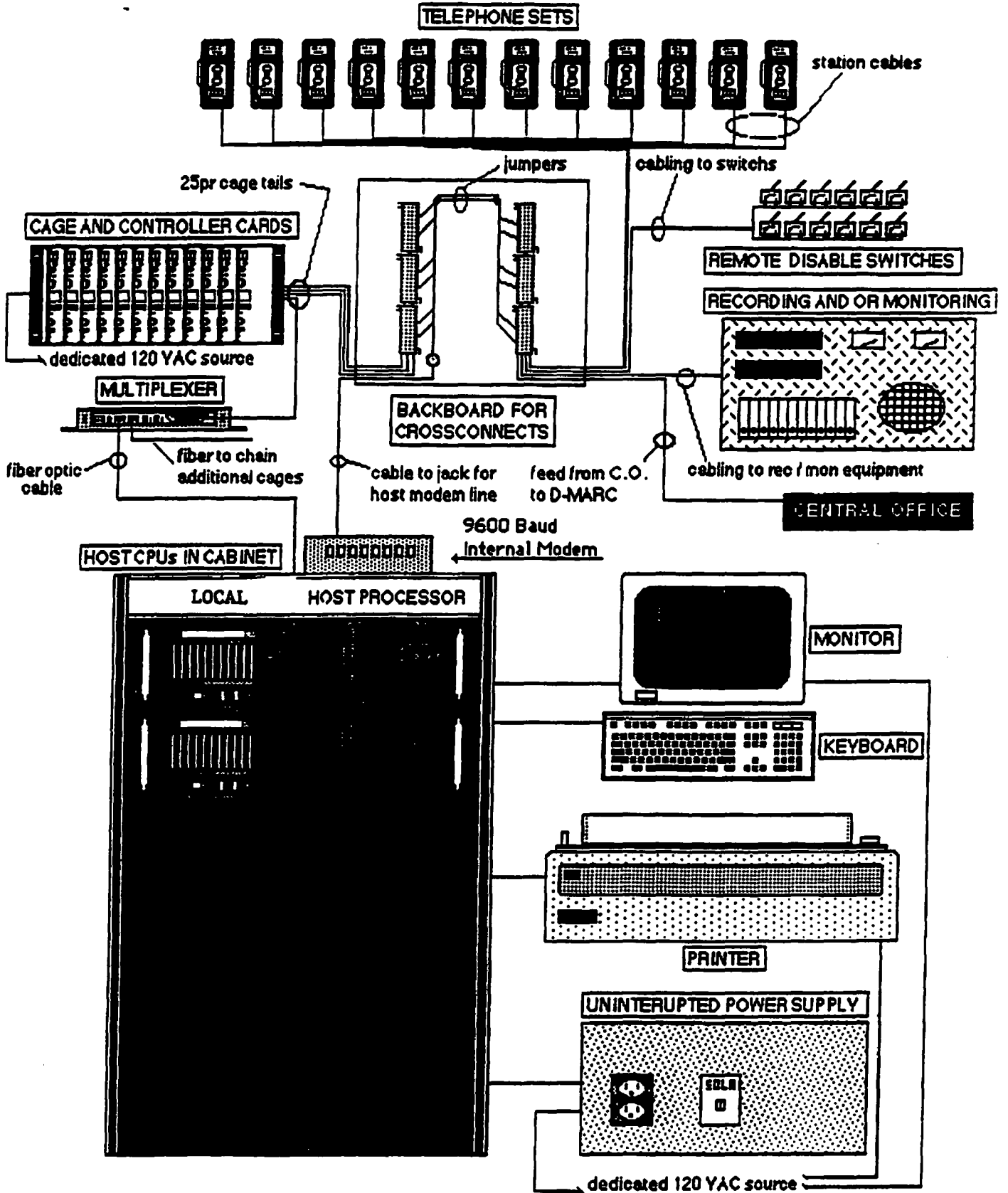
North American Numbering Plan

All equipment and software shall be equipped for and compatible with the North American Numbering Plan (NAMP).

See Figure Two for Hardware Configuration Block Diagram

FIGURE TWO

INMATE PHONE SYSTEM/ HARDWARE CONFIGURATION BLOCK DIAGRAM



System Operational Features

Automated Operator

For long distance calls, the system shall operate as a "COLLECT CALL ONLY", Automated Operator System for "OUTGOING CALLS ONLY". The system shall not allow for incoming calls, at any time, to inmates. The system shall not allow direct contact with live operators of any kind. It shall provide an on-board bilingual synthesized operator at each telephone set. English will be one of the languages. The second language at each correctional institution will be determined prior to installation of system. Dialing instructions, error prompts, initial contact with called party, verification of acceptance of charges, and real-time announcement of inmate's name are to be resident in each telephone Controller module.

Answer Detection and Supervision

The system shall employ an answer detection system utilizing hybrid battery detection, integrated electronic diagnostics, advanced software algorithms, and voice recognition processes. It shall not be deceived by standard or irregular busy signals, standard or irregular ring signals, answering machines, cellular telephones, pagers, operator intercepts, quick disconnects, chain dialing, or no voice from the called party.

Three Way (Conference Calling Fraud Detection):

This feature shall prohibit the major fraud practice possible with other automated and live-operator systems where inmates enlist the aid of an outside accomplice to "conference" them, via central office-provided three way calling, to an "unrestricted" line bypassing the system controls. The system shall be able to detect the attempt by the accomplice to activate the three way call and, when so detected, disconnect the call.

Instructional Voice Prompts

High speed, low compression, synthesized voice shall be resident in each telephone set. It shall provide voice instructions to the inmate without local host processor involvement.

Anti-Hook Switch Dialing

The Inmate Telephone shall constantly monitor the hook switch of the inmate telephone. If the hook switch is depressed at any time, the internal system dial tone shall reappear. This should prevent hook switch manipulation for fraudulent purposes.

5356

Bi-Lingual Voice Prompts and Announcements

The system shall be fully bilingual (English and other languages) which may be easily employed by the inmate depressing a selection key (such as "*" or "#") on the keypad prior to dialing "PIN" or desired number. The second language at each correctional institution shall be determined prior to installation of system. The second language may differ from facility to facility.

Call Blocking

The system shall provide for telephone number blocking such as: Direct dialing (1+), Operators (0-, 00-, 1-0-xxx-0-), Information (411, 1-411, 555-1211, 1-555-1212), Talk Lines (900, 976 Exchanges), IXC Access (950, 10-XXX), Toll Free Lines (1-800, 1-888), Etc.

Additionally, the unit shall allow for blocking of 11 digit numbers in order to prevent calling to:

- * Correctional Facility Telephone Numbers
- * Correctional Facility Employee Home Numbers
- * Judges and Prosecutors Home Numbers
- * Emergency Numbers (Police, Fire, etc.)
- * Doctors Answering Service Numbers
- * Facilities known to accept collect calls such as Hospitals, Telephone Companies, Unions, etc.

All call restrictions are to be programmed on-site, from the local service center, or a Data Center via modem and updated as required.

Custom Announcement to Called Party

The Inmate Telephone system shall automatically announce to the called party "This is a collect call from the (correctional facility) from (inmate's name/voice)". This alerts the called party to the fact that the inmate is calling and avoids unsure acceptance of the call. This announcement shall be made at various intervals during the conversation as determined by DOC.

DTMF Touch Tone/ Rotary Accept

When the Inmate Telephone system asks the called party to dial "0" to accept the collect call, it shall recognize the precise DTMF or rotary digit "0". If digits 1-9 are dialed by the called party the connection shall not be made and the inmate phone disconnected from the call attempt.

Anti-Chain Dialing

The system shall prevent dialing of a second call by the inmate if a second dial-tone is received after the called party hangs up.

Time Limiting

The system shall provide for time limits that can be adjusted between 1 minute to 99 minutes per call.

Audible Warning and Cut-Off

Regardless of the maximum time limit placed on a call, the system shall provide an audible notification of time limit to the inmate when the call timer has reached the 3 minute, 1 minute, and 30 second mark prior to disconnection.

When the call timer reaches "zero", the unit shall automatically disconnect the conversation and restore internal dial tone for the next call.

Auto Shut-Down and Restoral

Each Inmate Telephone shall be programmed to automatically shut off at pre-determined times (such as lock-down, etc.) and restore operation at pre-determined times (such as 08:00, etc.). This feature shall be remotely programmable and enable denial of calling without correctional officer intervention.

Call Monitoring

The Inmate Telephone system shall be equipped with analog suppression/amplification hardware that allows correctional officer monitoring of calls without inmate or called party detection. There shall be no "click" or loss of volume detected by the inmate when this feature is activated via handset, headset, or amplification instrument (such as speakerphone, orator, magnetic taping equipment, etc.).

Tone/Pulse Dialing

Touch Tone and rotary dial signaling in any sequence is to be programmable and stored in each Inmate Telephone set in order to provide service in all telephone utility central offices regardless of vintage.

Remote Service Cut-Off

Each Inmate Telephone line shall have a remote cut-off input that may be connected to a central switch panel. This input shall enable or disable the out-going call function without disconnecting the phone from the telephone line.

Inmate Telephone Instrument

The Inmate Telephone instrument shall be a ruggedized unit built for inmate utilization. It shall be constructed of high quality materials with following design features:

- The instrument shall have a heavy-gauge steel housing
- The instrument shall have a Graffiti-resistant finish
- The instrument shall have an armored handset cord with inner stainless steel cable
- The instrument shall have a mar and scratch resistant exterior

If this instrument is to be installed outdoors, the unit shall be protected from driving rain, snow, or splashing water.

The instrument shall be provided with a loud button for the inmates with impaired hearing. The handset shall be a hearing aid compatible handset.

The instrument shall have a touchtone dialpad.

The instrument shall be FCC registered and UL approved.

Local Host Processor

The local host processor of the telephone system shall be state of the art and designed to provide correctional facilities with inmate call control and reporting. It will be used for controlling inmate calling, reducing fraud, and generation of valuable administrative reports.

The processor system of the local host processor at each facility will be a network type system containing the local host processor serving up to 240 inmate telephones and up to 240 trunks/lines. Each inmate telephone shall act as a remote intelligent terminal that communicates inmate dialing requests to the local host processor. During normal operation, the local host processor will poll each inmate telephone for inmate dialing request data. This data is then correlated to the host's central database to determine if the inmate's dialing request should be granted. The host will then send calling instructions along with the inmate's personal voice recording back to the telephone where it will either place the call or respond with a "deny" message to the inmate.

The host shall be equipped with redundant processors that are capable of operating the system independently in the event one fails. Uninterruptible power supplies shall be incorporated to provide protection from power utility failure and line anomalies.

Time of Day Restriction

The local host processor shall provide for time of day and/or day of week restrictions to any called number in the Number Database. This feature will provide automatic enforcement of called party requests, facility requirements, and court restraining orders.

The system shall provide for each number in the Number Database to be independently restricted to a specific length of time for each call. If individual restrictions are not entered, the system shall default to the Generic Time Restrictions.

Auto Real-Time Inmate Voice Up-Load

Each inmate will be required to say his/her name into one of the Inmate Telephones located at the facility. This process will be required only once and will be monitored in order to insure the proper name was used and is assigned to the appropriate personal identification number ("PIN"). The inmate's name shall be recorded in real-time voice and stored in the local host processor's memory for access from any Inmate Telephone in the facility. When the inmate places an authorized call, the local host processor shall up-load to the specific Inmate Telephone controller module the inmate's name in his/her real-time voice.

The up-load time for this function shall not exceed 200 ms or 1/30th of one second.

This feature is intended to eliminate the "short messages" and abuse when inmates are allowed to say their name (or anything else) prior to placing the call.

Auto-Blocking

The local host processor shall automatically block numbers that are repeatedly denied by the called party or numbers that are called excessively by inmates. When this feature is employed a daily report of those numbers automatically blocked shall be generated. The criteria for "excessive" calling activity shall be programmable and changeable at any time remotely or by the "on-site" administrator.

Block Number Table

The host processor shall be equipped with a Table capable of blocking up to 800,000 individual 11 digit telephone numbers. When a number is blocked the system shall not allow a call to that number by any of the Inmate Telephones.

Call Record Storage

The local host processor shall store no less than 650,000 call records in its standard configuration. It shall be expandable to no less than 2,275,000 call records.

Single Source Down-Loading Interface

Call records, as well as a variety of other data, shall be remotely down-loaded or up-loaded via modem. The system shall use proper protocol, algorithms and check-sums for security. The system shall down-load call record information generated by the Inmate Telephones from a single source point at the local host processor.

Uninterrupted Operation

In case of catastrophic CPU failure in the local host processor, each Inmate Telephone will continue to operate in the stand-alone mode. Since call-detail and generic block tables are resident in each Inmate Telephone, the telephone shall continue to operate with no loss of functionality to the user.

Auto Alarm

Each CPU and at least two of the Inmate Telephones at each installation site shall be programmed to automatically call 2 pre-assigned numbers to report failures. In the event of a main CPU failure, the alternate CPU will report and in the event of a main and alternate CPU failure the pre-programmed telephone sets will report.

Trunk/Line Concentration (Optional)

As an option, the system may be equipped to be capable of concentrating trunks/lines enabling the inmate telephones to share a pool of trunks/lines that is fewer in quantity than the quantity of inmate telephone sets.

Central Processor Unit (CPU)

One Central Processor Unit (CPU) shall be on-line with all inmate telephones (the Controller Processor) at all times while the other CPU shall be available for administrative and database updating (the Administrative Processor).

Reports shall transfer to any MS-DOS compatible software program for display or manipulation.

2-days language

Disk Storage

Standard disk storage configuration for both the Administrative and Controller Processors shall be no less than 100 MB hard drives. Each processor shall be equipped with on line 1.44 MB floppy disk drives. The floppy drives shall allow system administrators to update system software and archive call record and database files. Storage capacities shall be increased as system requirements dictate.

Modem

The Local Host processor shall be equipped with dual (2) modems, 2400 baud or greater, accessible by the controller and the administrative processors.

Monitor and Keyboard

A monitor with keyboard shall be provided with each host.

Printer

Each local host processor shall be equipped with a high speed, letter quality printer that will be used for printing administrative and investigative reports.

Uninterruptible Power Supply (UPS)

Each local host processor shall be equipped with 1 hour UPS.

System Capacity

The system shall be designed to serve up to 240 inmate telephones and 240 trunk/lines. Depending on usage, the maximum inmate wait for dial tone shall not exceed 4 seconds.

Surge Protection

All electronic components shall be isolated, grounded, and surge protected, to provide protection from power surges and fluctuations.

Modular Internal Connections

Internal connection shall be plug-in type to permit ease of service.

Remote Call Record Down-Loading

Local Host processor call record detail may be down-loaded from a data center via telephone line and modem interface. Call records to be capable of down-loading from the host processor hard disk drives or individually from Inmate Telephone Controller Modules.

Call record detail may be viewed, formatted into surveillance reports and printed by the "on-site" Administrative Processor. However, they may not be updated, erased or in any way changed by the Administrative Processor. Only the data center shall be capable of managing call records.

Data Security

Call records shall be stored in non-volatile, power independent memory that ensures data integrity under severe conditions. Call records may be retrieved by authorized methods through the Local Host Processor or via modem by a data center.

The data center may also retrieve call records from individual phones via modem. Unauthorized entry attempts shall trigger automatic security warnings to the data center or local host processor as required. Maximum protection shall be provided from data "hackers".

Secure Administrative Access

The host processor control and administrative functions shall be protected by hardware and software security systems. Access to the system shall be controlled by a minimum three level security system to allow multiple users access to functions that correspond to their security level. An access log system shall track system entries or unauthorized access. Remote access via modem shall be secured by several layers of password protection.

Automatic Call Record Back Up

When a call has been completed, the Inmate Telephone Controller Module shall automatically send a copy of the call record to the Controller CPU. The Controller CPU shall then up-load the call record to the hard disk drive for future down-loading and billing.

"PIN" Operation

"PIN" Digit Assignment

Each inmate shall be assigned a 5 to 11 digit personal identification number ("PIN"). All inmate telephones shall have the capability of requiring "PIN" entry prior to completing a call. When the handset is removed from its cradle the telephone set shall produce a special dial tone that signals the inmate to enter his/her "PIN".

"PIN" Allow Number Table

The system shall provide storage for each inmate of up to a minimum of 30 separate 11 digit telephone numbers in personal directory. The system shall store not less than 140,000 individual 11 digit numbers at the local host processor. Each facility will determine the maximum number of telephone numbers each inmate is allowed to register. The telephone numbers registered by each inmate are identified with the inmate's "PIN" and shall be resident in the local host processor. Only that specific "PIN" shall be allowed to call those numbers.

When a complete "PIN" and desired number is dialed, the Inmate Telephone will query the local host processor to determine the validity of the "PIN" and destination number. If the "PIN" or destination number is not valid, or if other restrictions prevent calling, the host processor shall signal the Inmate Telephone to deny the call.

"PIN" and Non-"PIN" Simultaneous Operation

Each Inmate Telephone shall be programmable for "PIN" or Non-"PIN" operation. This is to allow each facility to utilize the "PIN" operation in maximum security areas while allowing all calls in other areas (such as pre-trial detainee, overnight work release, or Trustee areas).

"PIN" Denial

An inmate's "PIN" or any number of inmates "PIN"s shall be able to be turned "off" for a specified period of time at the on-site host terminal or from an authorized remote terminal. The length of time for "PIN" denial shall be automatically policed, enforced, and released by the local host processor.

"PIN" Call Time Limit

The Local Host processor shall be capable of setting a maximum time limit for any type of call and/or all calls relating to an individual "PIN" and/or all "PIN"s.

Restrictions may be tagged to any "PIN" or telephone number. Examples of restrictions are:

- * Time of day and/or days of week that a telephone number may be called
- * Maximum duration of calls for that telephone number and/or "PIN"
- * Maximum number of calls to that telephone number or from that "PIN" per day/week/month

Restrictions imposed shall be automatically policed and enforced by the local host processor.

In the event of court restraining orders or called party financial conditions requiring a limit to the amount of time or monthly cost of inmate calling to a particular party, the local host processor shall be capable of complying with such restrictions automatically by denying calls.

Automatic Attorney/Inmate Privacy

When the "PIN" system is in operation, each inmate will be required to identify the attorney telephone number(s) in his/her personal database. These telephone numbers shall be "flagged" in the local host processor and shall not allow monitoring or taping of calls on those telephone numbers.

Suggested Items: Inmate Telephone System

T-Netix Inc.
67 Inverness Dr. East
Englewood, CO 80112
Ph# (303) 790-9111

or STATE APPROVED EQUIVALENT.

Mandatory Items: Inmate Monitoring System

Dictaphone Automated Inmate Recording System
Dictaphone Corporation
14240 InterUrban Ave S. Suite 156
Seattle, WA 98168-4660
Ph# (800) 765-6211

Inmate telephone system equipment identified by brand name within this document are for comparison purposes only. Actual telephone system equipment used or provided by the contractor must meet or exceed the specified equipment capabilities and capacities as set forth in the General and System Specifications section of this document.

Note to offerors: If you are offering an alternative item to the inmate telephone system specified, you must include sufficient descriptive literature with your offer for the State to make a detailed comparative analysis between the items specified and the items offered by your firm. Failure to submit this detailed descriptive data/literature may be cause for your offer to be determined non-responsive.

INSTALLATION CONSIDERATIONS

The Department of Corrections (DOC) will provide space and power for location of the inmate telephone system and inmate monitoring system at each facility. Additional modifications for space, electrical, cabling, and distribution system requirements will be done at no cost to the State. Such additions will become the property of the State of Alaska upon acceptance of the installed systems. Workmanship must meet all applicable building, fire, and electrical codes.

Upon award of contract, the successful Contractor will coordinate their installation efforts through a designated representative appointed by DOC.

The Contractor will make arrangements for removal of existing inmate phone systems at each facility, installation, and a smooth "cutover" to the new systems. The Contractor must coordinate all circuit orders with local telephone utilities and long distance carriers. Timelines on installation and "cutover" to be coordinated with DOC designate. Final acceptance testing and approval shall be coordinated through the DOC designate. All equipment provided shall be new and state of the art technology.

The successful Contractor will be financially responsible for obtaining all required permits, licenses, and bonding to comply with pertinent municipal, borough, state, and federal laws. The successful Contractor shall conform to the requirements of the Davis-Bacon Act.

The Department of Corrections requires background investigations be made of personnel working in their correctional facilities. Accordingly, the successful Contractor and their subcontractors shall provide Department of Corrections with names and necessary personnel information of employees working on installation and maintenance of these systems. An individual that is found to have a prior history of conviction(s) will be precluded from entry into any correctional facility.

The Contractor will have access to the facilities during normal working hours (8:00 am through 5:00 pm), Monday through Friday, excluding holidays.

ACCEPTANCE TESTING:

The successful contractor shall establish a quality assurance program to ensure that the Inmate Phone System and Inmate Monitoring System meets the performance criteria contained in this specification and all stated requirements during pre and post-cutover periods. Testing will consist of pre-cutover installation and post-cutover acceptance tests.

A primary Quality Control (QC) Manager will be identified to the State's contracting officer within 30 days after contract award. The QC manager will be an employee of the prime

contractor and will be available on site when requested by the State. The QC manager will be held responsible for QC involving the prime and any subcontractor(s).

Department of Corrections (DOC) personnel and/or their designated representative may be present to witness all inspections and tests. The contractor must notify the DOC identified representative of the test schedule not less than one week prior to the start of test periods.

The successful Contractor shall reimburse the Department of Corrections for cost of state personnel time, travel, and per diem involved in quality assurance and acceptance testing of the systems. For budgetary purposes, the State of Alaska has determined a figure of \$35,000 for this cost. The successful Contractor shall reimburse the Department of Corrections for these costs upon final acceptance of the entire system.

Pre-cutover Tests

Pre-cutover installation tests verify system performance during and upon completion of installation. These tests will ensure proper operation of system components. They ensure the ability of the system to perform the stated requirements in an operational, on-site but off line environment and determine the readiness of the system to be cut into service.

These tests will consist of:

1. Functional tests of the Inmate Phone System and Inmate Monitoring System.
2. Interoperability tests which are intended to ensure the compatible interoperability between the Inmate Phone System, Inmate Monitoring System, and other external systems such as telephone utility and long distance carrier networks.

Post-cutover Tests

Post-cutover tests ensure the ability of the system to meet all of the specified performance requirements in an operational, on-line environment. These tests are necessary to determine whether the system can perform as required. Prior to final acceptance of each facility's system, all tests must be accomplished to the satisfaction of the DOC identified representative.

Upon initial acceptance by the DOC identified representative, operation of that facility's system will then commence.

A system performance evaluation period of 30 consecutive days will follow. This 30 day evaluation period is intended to ensure each facility's system reliability and performance compliant with this specification and will not exceed the following conditions:

1. One (1) major failure (or trouble call).

2. Five (5) minor failures (or trouble calls). This could be five different problems, one type problem occurring five different times, or any combination, thereof.

Definition of major and minor failures (or trouble calls) are given in the "Operational and Maintenance Considerations" section of this specification.

Reject and Retest

When any tested subsystem or component fails to meet any test requirement, State approval will be withheld and/or rescinded until the cause of the failure is corrected and the test, or tests, are successfully completed.

The Contractor may be required to reinstall existing Inmate Phone System, at no cost or liability to the State, if tests are not compliant with specification requirements.

Final acceptance of each facility's system is to be determined by the DOC identified representative upon completion of the 30 day evaluation period.

OPERATIONAL AND MAINTENANCE CONSIDERATIONS

The Alaska Public Utilities Commission (APUC) has made a declaratory ruling regarding the installation and operation of the Inmate Telephone System by the Contractor awarded in this solicitation (see Exhibit One). The successful contractor shall comply with the APUC requirements as shown in Exhibit One.

The Contractor shall be responsible for billing and collection of long distance intra/interstate calls. These charges will be billed to the called party.

All equipment installed by the Contractor at the correctional facilities will remain the sole and exclusive property of the Contractor. The State will not be responsible for any damage to equipment.

The Contractor will provide the State a 24 hour point of contact for reporting trouble calls, special reports, requests for moves, and/or request for changes in the system.

Cost of operations, maintenance, moves, and changes will be the responsibility of the Contractor. These costs shall include travel, lodging, and expenses by personnel involved in these functions.

Trouble calls will be classified as major or minor based upon the following:

1. Major Trouble call:
 - a. Inmate phone system or inmate monitoring system completely inoperative.

- b. 20% of inmate phones or inmate monitoring capacity inoperative.
- c. 25% of inmate/pre-trial detainee calls cannot be made.

2. Minor Trouble call:

- a. Less than 20% of inmate phones or inmate monitoring system capacity inoperative.
- b. Less than 25% of inmate/pre-trial detainee calls cannot be made.

Repair time for major trouble calls shall be within 24 hours of notification. Repair time for minor trouble calls shall be within 72 hours of notification.

Access to correctional facilities for maintenance shall be during normal hours (8:00 am through 5:00 pm), Monday through Friday, excluding holidays.

The Contractor may replace or add additional telephones to provide better or more economical service. Any removal or additions will be preceded by written approval from DOC. The inmate monitoring system shall accordingly be modified to reflect the changes made. All costs shall be the responsibility of the Contractor.

PERFORMANCE BOND

The successful Contractor must provide a performance bond at the time of contract award. Such performance bond shall be equivalent to 50% of the dollar amount guaranteed to the State of Alaska, Department of Corrections for the first two years.

Failure to provide such a performance bond at the time of award shall be grounds to reject that offeror and award to the next most responsive and responsible offeror.

EXHIBIT ONE

STATE OF ALASKA

THE ALASKA PUBLIC UTILITIES COMMISSION

Before Commissioners:

Don Schröer, Chairman
Daniel Patrick O'Tierney
James E. Carter, Sr.
Alyce A. Hanley
Dwight D. Ornquist

In the Matter of the Petition by)
the STATE OF ALASKA DEPARTMENT OF)
CORRECTIONS for a Declaratory Ruling)
Regarding the Installation and)
Operation of a Telecommunications)
System)

U-93-71

ORDER NO. 1

ORDER ISSUING DECLARATORY RULING AND CLOSING DOCKET

BY THE COMMISSION:

Introduction

On August 6, 1993, the State of Alaska, Department of Corrections (DOC), filed a Petition for Declaratory Ruling (petition) seeking a Commission determination that DOC's plan to contract with a vendor to install customer premises equipment and billing and collection services in its institutions statewide:

1) does not make DOC a "public utility" under AS 42.05;

2) does not subject DOC to certification, reporting, or other requirements of the recently enacted portions of the APUC ACT that govern intrastate interexchange competition; and

3) does not subject the vendor to the requirement that it obtain a certificate of public convenience and necessity.

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1016 West Sixth Avenue, Suite 400
Anchorage, Alaska 99501
(907) 276-6222; TTY (907) 276-4533

1 The petition was noticed to the public with a closing
2 date for comments of September 13, 1993. To date, four comments
3 have been received. Those comments will be discussed below.

4 In its petition DOC stated that its proposed telephone
5 system will enable it to provide acceptable levels of telephone
6 service to inmates while providing protection to the public.
7 Specific criteria for the proposed telephone system include:

8 1. All costs, including telephones, monitoring
9 equipment, telephone lines, local and long distance
10 connection service charges, are the responsibility of
11 the vendor.

12 2. The vendor will pay DOC a minimum of 16 per-
13 cent of the gross revenues from interstate and
14 intrastate calls.

15 3. Inmates will have local call access at no
16 expense to the inmate, caller, or DOC for at least one
17 year.

18 4. The system must ensure that calls between
19 inmates and their attorneys are neither monitored nor
20 recorded.

21 5. The equipment must block access to unauthor-
22 ized 800 or 900 numbers, third-party calls, or call
23 forwarding. If a third-party call is detected, the
24 system will automatically disconnect the call whether
25 it is local or long distance.
26

1 6. The system will be designed to provide inmates
2 with a PIN-digit assignment or non-PIN simultaneous
3 operation.

4 7. The system must be programmed to limit inmate
5 calls to fifteen minutes.

6 8. The system must prevent dialing of a second
7 number after a party hangs up.

8 9. The system must restrict calls to an approved
9 list of numbers for each inmate. It must also identify
10 the caller as an inmate and allow the party being
11 called to continue the call or terminate the call
12 without speaking to the inmate.

13 10. The vendor would be responsible for customer
14 billing. Local calls would be billed at no charge for
15 at least the first year.

16 DOC stated that installation and operation of the
17 proposed telephone system for use by the inmates will not make it
18 a public utility because the telephone service provided will be
19 essentially private in nature and offered only to a select group
20 and not available to the general public. DOC further stated that
21 it should not be subject to certification, reporting, and other
22 requirements of AS 42.05.810 and 3 AAC 52.350 - 3 AAC 52.399
23 because it is not a public utility or an interexchange carrier.

24 Comments were received from Eugene Fields, currently an
25 inmate in Fairbanks, Alaska; the City of Fairbanks d/b/a Fairbanks
26

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1 Municipal Utilities System (FMUS); the Alaska Telephone
2 Association (ATA); and the Municipality of Anchorage d/b/a
3 Anchorage Telephone Utility (ATU).

4 Fields stated his objections to some of the features of
5 the proposed system. Specifically, he objects to the provision
6 that prevents an inmate from dialing another number after a party
7 hangs up; limiting phone calls to fifteen minutes; blocking
8 unauthorized 800 and 900 numbers, and limiting calls to a pre-
9 approved list of numbers.

10 FMUS stated that DOC's proposal is incomplete and does
11 not provide sufficient information for the Commission to make a
12 ruling. FMUS also argues that DOC's statement that the system
13 will be private in nature is irrelevant under AS 42.05; a state
14 agency may be declared a public utility under AS 42.05; and that
15 DOC's petition should be denied because there is no legal
16 foundation to support it.

17 In its comments ATA raised concerns about local exchange
18 company (LEC) bypass. ATA also stated that it believes that the
19 proposed vendor would be subject to AS 42.05.325, Registration and
20 Regulation of Alternate Operator Services; LECs would be prohib-
21 ited from bidding because of the prohibitions against resale that
22 exists in their tariffs; LECs are prohibited from paying commis-
23 sions to DOC as required by the proposal; and the Commission could
24 exempt DOC from regulation if it chooses, but that the vendor
25
26

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1 should be certificated due to the nature of the service. ATU's
2 comments were similar to ATA's.

3
4 Discussion

5 Based on its review of the record of this proceeding,
6 the Commission has determined that DOC meets the statutory
7 definition of a public utility under AS 42.05.990; that DOC should
8 be exempt from certification and regulation under AS 42.05.711(d);
9 and that the regulatory status of the vendor cannot be determined
10 at this time.

11 I. DOC Would Be a Public Utility.

12 AS 42.05.990(4)(B) states:

13 "public utility" or "utility" includes every
14 corporation whether public, cooperative, or otherwise,
15 company, individual, or association of individuals,
16 their lessees, trustees, or receivers appointed by a
17 court, that owns, operates, manages, or controls any
18 plant, pipeline, or system for [emphasis added]

19
20 (B) furnishing telecommunications service to
21 the public for compensation [emphasis added];

22 It appears from the Request for Proposals submitted by DOC that
23 DOC would "own, operate, manage, or control" the proposed system
24 in order to furnish telecommunications service to its inmates for
25 compensation. Although it may very well be the vendor who
26 installs, owns, and operates the proposed telephone system, it is
DOC that will be managing and controlling it. This conclusion

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1 follows from the criteria that DOC has submitted for the proposed
2 system.

3 DOC has specified the allocation of costs to the vendor,
4 established a minimum compensation level to be paid by the vendor
5 to DOC, has chosen to allocate none of the costs for local
6 exchange service for the first year to the inmates, and has listed
7 further detailed specifications of the proposed system. There-
8 fore, the Commission finds that DOC will be managing and con-
9 trolling the proposed system for furnishing telecommunications
10 service for compensation.¹

11 DOC further argued that the proposed system is private
12 in nature and, thus, not an offering to the public for purposes
13 of being considered a public utility pursuant to AS 42.05.-
14 990(4)(B).

15 The term "public" is defined in AS 42.05.990(3)(A) as
16 "a group of 10 or more customers that purchase the service or
17 commodity furnished by a public utility." The inmate population
18 of the DOC is considerably greater than 10 persons. Although the
19 inmates would not be paying for local exchange service under the
20 petitioner's proposal during the first year of a contract, they
21 would be paying for interexchange (IXC) service from the outset.
22 In turn, DOC will collect a minimum of 16 percent of the gross
23

24
25 ¹Additionally, DOC stated that the proposed system would
26 interface with its existing system. Therefore, it is arguable
that DOC would own at least part of the total system.

1 revenues derived from that service. Therefore, the inmate
2 population's purchase of IXC service would constitute "10 or more
3 customers that purchase the service or commodity furnished by a
4 public utility."

5 For the reasons discussed above, the Commission can only
6 conclude that DOC would a public utility within the meaning of
7 AS 42.05.990.

8
9 **II. DOC Should Be Exempted under AS 42.05.711(d) from
Certification Requirements and Regulation.**

10 Although the Commission finds that DOC meets the
11 technical statutory definition of a public utility, it will exempt
12 DOC from the requirement to obtain a certificate of public
13 convenience and necessity (certificate) and from regulation under
14 AS 42.05. AS 42.05.711(d) states:

15 The commission, on a finding that no legitimate
16 public interest will be served, may exempt a utility
from all or any portion of this chapter.

17 The Commission finds that no legitimate public interest
18 would be served by requiring DOC to have a certificate or to be
19 subject to regulation under AS 42.05. Although DOC will own,
20 operate, manage, or control the telecommunications system and
21 receive compensation for doing so, the Commission finds that the
22 very unusual and special circumstances of this particular case
23 justify the exemption of DOC from all portions of AS 42.05
24 pursuant to AS 42.05.711(d).

25
26

1 The phone system proposed by DOC results from the
2 settlement of complex litigation between DOC and inmates regarding
3 the rights of inmates, including the right to telephone service.
4 The proposed telephone system will be used only by the inmates of
5 the DOC. Under these circumstances, the Commission finds that the
6 public interest strongly favors the provision of service in the
7 manner proposed by DOC without unnecessary state regulation.

8
9 **III. The Regulatory Status of the Vendor Cannot Presently Be
Determined.**

10 Although the Commission has determined that DOC would
11 be providing public utility service, the Commission simply does
12 not have enough information about the prospective vendor to make
13 any determination regarding its regulatory status at this time.
14 Questions regarding the types of connections and the nature of the
15 service to be provided make it difficult to declare that the
16 vendor would or would not be subject to AS 42.05. For example,
17 what type of service would the vendor provide? Would it act as
18 an IXC? Would it be an LEC? DOC has many facilities located
19 around the state. If the vendor provides service to each
20 location, what type of service area would be needed?

21 Only after the vendor is selected and the method of
22 service and system design clearly identified can these questions
23 be answered. Accordingly, once DOC has selected a vendor, a
24 ruling should be requested from the Commission as to the vendor's
25 status.

26

1 In view of the above, the Commission must deny DOC's
2 request to have an unknown vendor declared exempt from AS 42.05
3 at this time.

4 With that determination all substantive and procedural
5 matters have been disposed of in this matter, and there are no
6 allocable costs under AS 42.05.651 and 3 AAC 48.157. Accordingly,
7 Docket U-93-71 should be closed.

8
9 ORDER

10 THE COMMISSION FURTHER ORDERS:

11 1. A declaratory ruling on the issues raised by the
12 State of Alaska, Department of Corrections is set out in the body
13 of this Order.

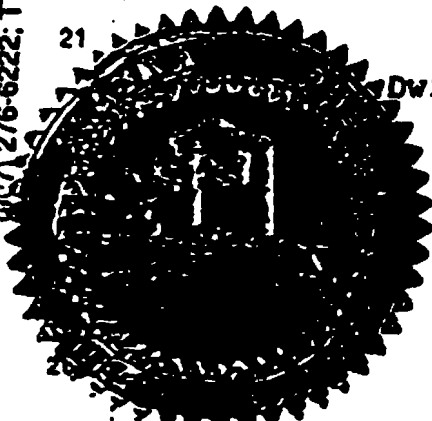
14 2. As more fully discussed in the body of this Order,
15 the State of Alaska, Department of Corrections is granted an
16 exemption from certification and economic regulation pursuant to
17 AS 42.05.711(d).

18 3. Docket U-93-71 is closed.

19 DATED AND EFFECTIVE at Anchorage, Alaska, this 16th day of Febru-
20 ary, 1994.

21 BY DIRECTION OF THE COMMISSION
(Commissioners Alyce A. Hanley and
Dwight D. Ornquist, not participating.)

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STATE OF ALASKA

THE ALASKA PUBLIC UTILITIES COMMISSION

Before Commissioners:

Don Schröer, Chairman
Daniel Patrick O'Tierney
James E. Carter, Sr.
Alyce A. Hanley
Dwight D. Ornquist

In the Matter of the Petition by the)
STATE OF ALASKA DEPARTMENT OF CORREC-)
TIONS for a Declaratory Ruling Regard-)
ing the Installation and Operation of)
a Telecommunications System)

U-93-71

ERRATA NOTICE

TO

ORDER NO. 1, entitled:

ORDER ISSUING DECLARATORY RULING AND CLOSING DOCKET
(Issued February 16, 1994)

BY THE COMMISSION:

Page 7, lines 15-16: Delete: "The commission, on a finding that no legitimate public interest will be served, may exempt a utility from all or any portion of this chapter."

Insert: "The commission may exempt a utility, a class of utilities, or a utility service from all or a portion of this chapter if the commission finds that the exemption is in the public interest."

DATED AND EFFECTIVE at Anchorage, Alaska, this 15th day of March, 1994.

BY DIRECTION OF THE COMMISSION
(Commissioners Alyce A. Hanley and
Dwight D. Ornquist, not participating.)

(S E A L)

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APPENDIX A

GENERAL PROVISIONS

Article 1. Definitions.

1.1 In any resultant contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs any resultant contract on behalf of the Requesting Agency and includes a successor or authorized representative.

1.2 "State Contracting Agency" means the department for which any resultant contract is to be performed and for which the Commissioner or Authorized Designee acted in signing any resultant contract.

Article 2. Inspection and Reports.

2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all contractor's facilities and activities under any resultant contract.

2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Article 3. Disputes.

3.1 Any dispute concerning a question of fact arising under any resultant contract which is not disposed of by mutual agreement shall be decided in accordance with AS 36.30.620-632.

Article 4. Equal Employment Opportunity.

4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, physical handicap, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.

4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer, and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.

4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or worker's compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.

4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by any resultant contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.

4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under any resultant contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.

4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.

4.7 Failure to perform under this article constitutes a material breach of the contract.

Article 5. Termination.

The Project Director, by written notice, may terminate any resultant contract, in whole or in part, when it is in the best interest of the State. The State is liable only for payment in accordance with the payment provisions of any resultant contract for services rendered before the effective date of termination.

Article 6. No Assignment or Delegation.

The contractor may not assign or delegate any resultant contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in any resultant contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in performance of any resultant contract.

Article 9. Payment of Taxes.

As a condition of performance of any resultant contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of any resultant contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under any resultant contract.

Article 10. Ownership of Documents.

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of any resultant contract are produced for hire and remain the property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. The contractor, for a period of three years after final payment under any resultant contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all materials.

Article 11. Governing Law.

Any resultant contract is governed by the laws of the State of Alaska. All actions concerning any resultant contract shall be brought in the Superior Court of the State of Alaska.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the Department of Law, the General Provisions of any resultant contract supersede any provisions in other appendices.

Article 13. Officials Not to Benefit.

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure any resultant contract upon an agreement or understanding for a commission, percentage, contingent fee, or brokerage, except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate any resultant contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage, or contingent fee.

02-093 (Rev 12-93)

APPENDIX B

INDEMNITY AND INSURANCE

Article 1. Indemnification

The contractor will indemnify, hold harmless and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the contractor under any resultant contract. The contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the independent negligence of the contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "contracting agency", as used within this article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the contracting agency's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

Article 2. Insurance

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under any resultant contract the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a 30 day prior notice of cancellation, nonrenewal or material change of conditions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of any resultant contract and grounds for termination of the contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

2.1 Workers' Compensation Insurance

The contractor shall provide and maintain, for all employees of the contractor engaged in work under any resultant contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Acts requirements.

The policy must waive subrogation against the State.

2.2 Commercial General Liability Insurance:

Such policy shall have minimum coverage limits of \$300,000 combined single limit per occurrence or split limits of \$300,000 per person/\$500,000 per occurrence. The policy shall be written on an "occurrence" form and shall not be written as a "claims-made" form unless specifically reviewed and agreed to by the Division of Risk Management.

2.3 Commercial Automobile Liability Insurance:

Such policy shall have minimum coverage bodily injury liability limits of \$300,000 combined single limit per occurrence or split limits of \$300,000 per person/\$500,000 per occurrence. The policy shall cover all owned, hired, and non-owned vehicles. In addition, it shall have a minimum of \$50,000 per occurrence property damage liability limits.

02-093 B-1 (Rev. 9-95)

SCHEDULE OF DOLLAR GUARANTEES

The intent of this solicitation is to award a seven (7) year contract for provision of inmate phone and monitoring systems/services to the Department of Corrections facilities throughout the State of Alaska.

Award will be made to the highest responsive and responsible offeror based upon the **highest** dollar guarantee paid to the State of Alaska Department of Corrections during the course of the seven year contract. The Department of Corrections desires that guaranteed payments be amortized over the seven year period such that payments to the state are not concentrated in entirety in Years 5 through 7 of the contract.

The state reserves the right to negotiate terms and conditions, including the amortization schedule and costs, with the offeror who submits the highest dollar guarantee. In the event that a successful negotiation cannot be reached with the highest offeror, the state retains the right to negotiate and award with the next highest offeror.

The contract will be in effect upon signature by the State of Alaska.

To summarize, the State of Alaska requires Inmate Telephone and Monitoring systems for each of its correctional facilities. Key points are:

1. For long distance calls, the systems shall operate as a "COLLECT CALL ONLY", Automated Operator System for "OUTGOING CALLS".
2. Free local phone calls shall be provided.
3. The successful Contractor shall be responsible for all costs of equipment, installation, optimization, training, ongoing operations, and necessary billing services related to these systems. There shall be no cost to the State of Alaska.
4. The successful Contractor shall provide these systems as specified in the System and General Specifications.

Prospective offerors are required to submit the following information with their offers:

1. Alaska Business License as specified on Page 1 of this solicitation.
2. A pre-qualifying statement showing that the inmate phone system proposed has been in operation for a minimum of two years. Offerors must also provide a list of at least 4 systems (including phones and monitoring systems) comparable in size and complexity to the system required by this solicitation that have been installed successfully by the offeror. The list shall include contact names, addresses, and phone numbers.

3. A list of the specific brand/model of equipment being offered at each of the facilities. Such equipment provided must meet or exceed the specified equipment capabilities and capacities as set forth in the System and General Specifications section of this document.

4. The Schedule of Dollar Guarantees.

Failure to meet the terms and conditions set forth in this solicitation may constitute cause for the State to declare the offer and/or offer award non-responsive, subject to rejection.

1. Yearly dollar amount that will be guaranteed to the State of Alaska Department of Corrections for provision of inmate phone/monitoring systems and services:

Year #1: \$ _____

Year #2: \$ _____

Year #3: \$ _____

Year #4: \$ _____

Year #5: \$ _____

Year #6: \$ _____

Year #7: \$ _____

TOTAL OF YEARS 1 THROUGH 7: \$ _____

Note to offerors: If you are offering an alternative to the inmate telephone system specified, you must include sufficient descriptive literature with your offer for the State to make a detailed comparative analysis between the items specified and items offered by your firm. Failure to submit this detailed descriptive data/literature with your offer may be cause for your offer to be determined non-responsive.



**State Of Alaska
Department Of Administration
Division Of General Services
2400 Viking Drive
Anchorage, Alaska 99501**

AMENDMENT NUMBER 1

Solicitation Title: Inmate Telephone System

Amendment Issue Date: Wednesday, April 30, 1997

Solicitation Number: 5356

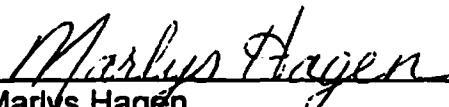
Solicitation Opening Date And Time: Wednesday, May 7, 1997 at 2:30 p.m.

This Amendment Is Being Issued To:

1. Change the solicitation opening date to that shown above.

This amendment is for information purposes only and need not be returned with your offer.

This is a 1 page amendment.



Marlys Hagen
Contracting Officer 276-3320
Fax: 278-0352
TDD: 276-0502

**State of Alaska
Department of Administration
Division of General Services
2400 Viking Drive
Anchorage, Alaska 99501**

**FIRST
CLASS
MAIL**

IMPORTANT: AMENDMENT TO BID ENCLOSED