

**City and County of San Francisco
San Francisco Sheriff's Department**

Second Amendment

THIS AMENDMENT (this "Second Amendment") is made as of June 1, 2014, in San Francisco, California, by and between **GLOBAL TEL* LINK** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City").

RECITALS

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

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to provide an extension to the contract term, increase the commission rate and modify the calculation of charges to adjust rates for inmate telephone calls.

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

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

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

First Amendment dated June 1, 2013.

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

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

a. Section 2. Section 2, Term of the Agreement currently reads as follows in the First Amendment:

2. Term of the Agreement. Subject to Section 1, the term of this agreement shall be from June 1, 2010 to May 31, 2014.

In addition, the City shall have one option to extend the term, for a period of one year each, by mutual agreement in writing. The maximum contract period shall not be more than five (5) years.

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

2. Term of the Agreement. Subject to Section 1, the term of this agreement shall be from June 1, 2010 to May 31, 2015.

In addition, the City shall have the option to extend the term of the Agreement on a month to month basis.

b. Section 5, Section 5, Compensation of the Agreement currently reads as follows in the First Amendment:

5. Compensation. Contractor shall pay the Sheriff's Department an annual payment of One Hundred Thousand Dollars (\$100,000.00) payable within thirty (30) days of the execution of the First Amendment. In addition, Contractor shall pay the Sheriff's Department a commission rate of **sixty five percent (65%)** calculated on all Gross Revenue generated by and through the ITS including but not limited to all collect, debit, pre-paid inmate telephone calls, and coin operated telephones. "Gross Revenue" shall include, but not be limited to, all surcharges, per minute fees and any additional fees generated by the completion of all Local, Intralata/Intrastate, Interlata/Intrastate, Interlata/ Interstate and International collect, debit and pre-paid inmate telephone calls placed from Contractor's equipment located at the Facilities.

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

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

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

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

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

d. Appendix B – Section 1-D. Calling Rates, currently reads as follows:

D. Both parties have mutually agreed upon the rates for inmate telephone calls, as detailed below.

CALL TYPE	COLLECT		PRE-PAID COLLECT		DEBIT AND/OR INMATE BASED PRE-PAID	
	Surcharge	Per Minute Rate	Surcharge	Per Minute Rate	Surcharge	Per Minute Rate
Local	\$2.80	\$0.11	\$2.80	\$0.11	\$1.25	\$0.10
Intralata/Intrastate	\$2.80	\$0.15	\$2.80	\$0.15	\$2.53	\$0.10
Interlata/Intrastate	\$3.00	\$0.69	\$3.00	\$0.69	\$2.83	\$0.21
Interlata/Interstate	\$3.95	\$0.69	\$3.95	\$0.69	\$3.60	\$0.52
International	n/a	n/a	n/a	n/a	\$3.95	\$1.60

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

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

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

3. Effective Date. Each of the modifications set forth in Section 2 shall be effective as of June 1, 2014, except that the adjustment to rates for interlata/interstate calls and to commission on interlata/interstate call revenue shall have been made as of the date the FCC required the rate change.

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

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

CITY

CONTRACTOR

Recommended by:

GLOBAL TEL * LINK



Ross Mirkarimi
Sheriff
San Francisco Sheriff's Department

Mr. Jeffrey B. Haidinger
President and COO
12021 Sunset Hills Road, Suite #100
Reston, VA. 20190



Date

4/24/14
Date

Approved as to Form:

City vendor number: #32285

Jana Clark
Dennis J. Herrera
City Attorney

By: 
Jana Clark
Deputy City Attorney

4/29/14
Date