

## CONTRACT AMENDMENT

Amendment # 2 (FY12)	Original Contract CMS #25902 (09CAA00153)	Amendment CMS # 40863
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### 1) PARTIES

This Amendment to the above-referenced Original Contract (hereinafter called the Contract) is entered into by and between Value Added Communications, Inc., 3801 East Plano Parkway, Suite 100, Plano, Texas 75074, (hereinafter called "Contractor" or "VACI"), and the STATE OF COLORADO (hereinafter called the "State") acting by and through the Colorado Department of Corrections, 2862 S. Circle Drive, Colorado Springs, Colorado, 80906 (hereinafter called the "CDOC").

### 2) EFFECTIVE DATE AND ENFORCEABILITY

This Amendment shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date"). The State shall not be liable to pay or reimburse Contractor for any performance hereunder including, but not limited to, costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

### 3) FACTUAL RECITALS

The Parties entered into the Contract to provide Inmate Telephone Services (ITS) at all CDOC Correctional facilities and all Privately-Managed CDOC correctional facilities. The parties agree to amend the contract because of changed circumstances described below:

- CDOC desires to renew the Contract for two (2) years;
- Contractor has provided a proposal that reduces the calling costs for inmates and family, with a minimal impact to the CDOC revenue flow, and CDOC has accepted this proposal;
- Contractor's proposal includes upgrades to the current inmate phone system;
- Legislative changes since the effective date of the Contract require additional clauses to address the insurance cancellation policy and public records disclosures.

### 4) LIMITS OF EFFECT

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

### 5) MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

#### a. Section 3. Term

Delete Section 3. Term of the Contract in its entirety (leaving sections 3.1 and 3.2 in place) and replace with:

"3. Term. This contract shall become effective on March 1, 2009 (the "Effective Date") and shall terminate on February 28, 2014, unless earlier terminated by its terms or extended per the renewal provision herein."

#### b. Section 3.1

Delete the first sentence of subsection 3.1 in its entirety and replace with:

"3.1 The State may require continued performance for a period one (1) two (2) year option for any services at the terms specified in this contract."

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**c. Section 4.1 RATES AND CHARGES**

Delete the table in subsection 4.1 RATES AND CHARGES in its entirety and replace with:

ITS COLLECT CALLS		
STANDARD COLLECT	PER CALL CHARGE	RATE PER MINUTE
Local	\$2.75	\$0.15 All Times
Intra-Lata	\$2.75	\$0.15 All Times
Intra-State Inter-Lata	\$2.75	\$0.15 All Times
Inter-State	\$3.00	\$0.15 All Times
ITS V-CONNECT ADVANCE PAY COLLECT CALLS		
COLLECT CALL TYPE	PER CALL CHARGE	RATE PER MINUTE
Local	\$1.25	\$0.13 All Times
Intra-Lata	\$1.25	\$0.13 All Times
Intra-State Inter-Lata	\$1.25	\$0.13 All Times
Inter-State	\$1.50	\$0.13 All Times
ITS DEBIT CALLS		
DEBIT CALL TYPE	PER CALL CHARGE	RATE PER MINUTE
Local	\$1.25	\$0.10 All Times
Intra-Lata	\$1.25	\$0.10 All Times
Intra-State Inter-Lata	\$1.25	\$0.10 All Times
Inter-State	\$1.50	\$0.10 All Times

**d. Subparagraph 4.2.1 Commissions on ITS Calls:**

Delete the second sentence of subparagraph 4.2.1 in its entirety and replace with:

"Contractor shall be obligated to pay to CDOC a percentage of such revenue as a commission equal to forty-nine percent (49%) of the "ITS Commissionable Revenue" from all ITS Collect and Debit calls under this contract."

**e. Subsection 14.5. Insurance Cancellation**

Delete subsection 14.5. in its entirety and replace with:

"14.5. The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 30 days prior notice to the Contractor and Contractor shall forward such notice to the State in accordance with §15 (Representatives and Notice) within seven days of Contractor's receipt of such notice."

**f. Add a new section 36 to read:**

**"36. CORA Disclosure.**

"To the extent not prohibited by federal law, this Contract and the performance measures and standards under CRS §24-103.5-101, if any, are subject to public release through the Colorado Open Records Act, CRS §24-72-101, et seq."

**g. Exhibit A. Statement of Work / Specifications for Inmate Telephone System (ITS)**

Delete TABLE A-1 EQUIPMENT BY SITE in its entirety from Exhibit A, and replace with TABLE A-1 (a) EQUIPMENT BY SITE, a copy of which is attached hereto. All references to Table A-1 in the Original Contract shall be deemed to refer to Table A-1 (a).

**h. Exhibit A. Statement of Work / Specifications for Inmate Telephone System (ITS)**

Add two new feature descriptions to Paragraph 1.D. Basic VAC System, operational features and performance specifications:

- "Automated Phone Time Upload and Transfer, Move and Releases: Contractor will provide the process for automated phone time upload and automated transfer concerning moves and releases."
- "Wolfhound Cell Detect: Contractor will provide one (1) Wolfhound Cell Detect product, including appropriate training, to each CDOC and Privately-Managed CDOC Facility, for cell phone detection."



**i. Exhibit A. Statement of Work / Specifications for Inmate Telephone System (ITS)**

Add a new task to Paragraph 1.F. ITS Tasks, under the task heading "Automated Deposits:"

- "Automated phone time upload and automated transfer concerning moves and releases."

**j. Exhibit A. Statement of Work / Specifications for Inmate Telephone System (ITS)**

Add a new component to Paragraph 1.G. Contractor Provided System Components:

- "V-Track Investigative Software Suite"

**k. Exhibit A. Statement of Work / Specifications for Inmate Telephone System (ITS)**

Add new sentences to the end of the fifth subparagraph under Paragraph 1.K. Contractor Maintenance and Responsibility:

"Contractor will reimburse CDOC for the actual cost of cell phones and pagers that the State provides to in-state technicians. CDOC will submit a monthly invoice to Contractor for actual cost of cell phone and pager usage by Contractor's in-state technicians, and Contractor will submit payment to CDOC within 30 (thirty) days of receipt of invoice."

**l. Exhibit A. Statement of Work / Specifications for Inmate Telephone System (ITS)**

Add a new subparagraph 7 at the end of paragraph 1.R. to read:

"7. Contractor shall provide TTY software for the State owned kiosks located at the Centennial Correctional facility – South, immediately upon request by CDOC."

**m. Exhibit A. Statement of Work / Specifications for Inmate Telephone System (ITS)**

Add a new sentence to the end of Paragraph 1.W. Credit Limits to read:

"The collect call credit limit shall be Fifty Dollars and Zero Cents (\$50.00)."

**6) START DATE**

This Amendment shall take effect on the later of its Effective Date or March 1, 2012.

**7) ORDER OF PRECEDENCE**

Except for the Special Provisions, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The most recent version of the Special Provisions incorporated into the Contract or any amendment shall always control other provisions in the Contract or any amendments.

**8) AVAILABLE FUNDS**

Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available.

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9) SIGNATURES

**THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT**

Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

<p><b>CONTRACTOR</b> Value Added Communications, Inc.</p> <p>By: <u>JEFFREY B. HARDINGER</u> Title: <u>PRESIDENT - SERVICES</u></p> <p>By: <u>[Signature]</u> *Signature</p> <p>Date: <u>2/16/12</u></p>	<p><b>STATE OF COLORADO</b> John W. Hickenlooper, GOVERNOR Colorado Department of Corrections Tom Clements, Executive Director</p> <p>By: <u>[Signature]</u> By: Executive Director or Designee</p> <p>Date: <u>2/23/12</u></p>
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**ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER**

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

<p><b>STATE CONTROLLER</b> David J. McDermott, CPA</p> <p>By: <u>[Signature]</u></p> <p>Dennis P. Diaz, CDOC Controller, Designee</p> <p>Date: <u>2/23/12</u></p>
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TABLE A-1 (a) EQUIPMENT BY SITE

SITE	CAMPUS	PHONE SETS	MINIMUM LINES	WORK STATIONS	LINE EXPANSION	NOTES
Arkansas Valley (AVCF)		73	73	4		
Arrowhead (ACC) (CMC)	ECAN	26	26	1		
Bent County (BCCF)		56	56	3		
Buena Vista (BVCF)		54	52	3	10	
Cañon Admin HQ	CTCF	0	1	6		
Cañon CID	CTCF	0	1	4		
CDOC Colorado Springs HQ		0	0	7		
Centennial (CCF)	ECAN	21	21	1		
Centennial (CCF) South / CSPII	ECAN	0	0	2		VOIP Lines and soft phone software on each CDOC-owned kiosk
Cheyenne Mountain (CMRC)		123	123	2		
CMHIP	Pueblo	4	0	0		
Colo Correctional Center (Golden)		9	9	1		9 outside phone booths
Colorado State Penitentiary (CSP)	ECAN	48	24	2		
Crowley County (CCCF)		123	123	3		88 pedestals / 5 rolling
Delta (DCC)		28	32	2		
Denver Reception (DRDC)	DRDC	34	56	3	12	
Denver Women's (DWCF)	DRDC	85	96	2		
Four Mile (FMCC) (CMC)	ECAN	26	27	1		
Fremont (FCF)	ECAN	67	70	1		
Ft. Lyon (FLCF)		31	31	3	10	
Kit Carson (KCCF)		37	37	3		
Limon (LCF)		55	56	3		
LaVista (LVCF)	Pueblo	12	12	2	15	
Pueblo CID	Pueblo	0	0	3		
Rifle (RCC)		10	16	2		
San Carlos (SCCF)	Pueblo	19	19	1	4	5 sets State Hospital
Skyline (SCC) (CMC)	ECAN	13	13	1		

SITE	CAMPUS	PHONE SETS	MINIMUM LINES	WORK STATIONS	LINE EXPANSION	NOTES
Sterling (SCF)		135	144	6		
Territorial (CTCF)	CTCF	47	48	1		
Trinidad (TCF)		22	64	1		
Youthful Offender (YOS)	Pueblo	56	56	1		

ECAN = East Cañon

CTCF = Territorial

DRDC = Denver

Pueblo = Pueblo Complex