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Cal Henderson, Sheriff

HILLSBOROUGH COUNTY
TAMPA, FLORIDA 33601

SUBJECT: Proposal Number 02-00 for Coin & Coinless Telephone Equipment, Local, Inter-lata and Intra-lata Services

ADDENDUM NUMBER: 1

DATE: November 4, 1999

MESSAGE: Answers to Questions from Proposal Conference

Public Communications Services Questions

1. Part B, 11 Evaluation of Proposals, Page 7 and Part C 1.2 Scope Page 14: 30% of the evaluation points are based on the highest commission paid, isn't this a conflict with Part C 1.2 Scope "A vendor who can maintain rates under the established PSC rates will be viewed favorably"? Commission rates are driven by the rates charged to the inmate's family and friends, if commissions are worth 30%, why would any vendor offer lower commissions? Will the county consider changing the evaluation to read 30% for lower rates to the inmates family and friends? Which is more important of the two?

Answer: We want a contract for the highest commission, but with the lowest cost to inmate's family and friends. This will be a consideration when we are evaluating responses.

2. Part B, 30 Total Equipment and interface requirements responsibility, page 12: It is PCS's understanding that MCI/Worldcom is the current prime vendor on the inmate telephone contract and subcontracts with Telequip Labs as the actual provider of the inmate-call processing equipment and related services. Is this correct? If so, then what service or function does the call accounting system installed by Technology Services Group Inc, "TSG" provide? And, what specific interface requirement is required for either subcontractor?

3. Assuming that Telequip Labs is the actual provider of the inmate-calling platform, it is our understanding that when an inmate places a call it is processed through the Telequip Labs equipment located at each facility. The call records are then regularly sent to MCI/Worldcom by Telequip Labs. MCI/Worldcom then rates the calls and send them out for billing to the individual called to number. Will the county provide the following information: Average or a sample of call records from MCI/Worldcom or Telequip Labs for the Hillsborough County Facilities is the only way for PCS, or any vendor, to properly create a coherent, competitive and complete response to this RFP. **Will the county provide the following information?** This information will allow vendors to determine:

A) Actual call volume and distribution for local, intraLata, IntraState, InterState and International calls. THIS IS NEEDED TO PROVIDE THE HIGHEST POSSIBLE COMMISSION PERCENTAGE TO THE COUNTY!

B) Billing and collection costs based on called to number billing ratios.

C) Call revenues based on existing rates and the new proposed rates.

D) Net work facilities necessary to handle traffic loads based where the calls are made and to where the calls are being made.

Your present providers can easily provide this information electronically. I cannot stress enough the importance of this information. Without it the present incumbent providers have an enormous advantage that cannot be overcome by the other bidders. They have the ability to do per call cost analysis in order to fine-tune their numbers.

Answer: See attachment (to the back of this document) received from MCI/Worldcom.

4. Part C, 17, page 17 Schlumberger LazerVoice recording/monitoring equipment: Will the county allow vendors to replace, at no cost to the county, call recording and monitoring equipment equal to or better than Schlumberger's LazerVoice recording/monitoring equipment?

Answer: This could be a consideration if it needs to be addressed.

5. Will the county provide all details on the Schlumberger LazerVoice recording and monitoring equipment including the number of lines and locations and costs involved in interfacing with the equipment?

Answer: As much as possible without divulging sensitive information. To the best of our knowledge there is no interfacing involved with this installation. The Schlumberger equipment is hardwired in.

6. Part C, 3.0 Statement of services, 3.1, page 20: What is the percentage of commission currently paid to the county by MCI/Worldcom?

Answer: 57.5% on both inter and intra-lata.

<u>GTE Questions</u>

1. Part A, Timeline	Pre-bid Conference	October 20, 1999
	Bid Submission	November 3, 1999
	Bid Award	Within 45 days?
	Preliminary Project Plan	Bid award +5 calendar days
	Final Project Plan	??
	Equipment Installation	January 4, 2000 midnight (I think this should be 12:01 am)

This schedule is extremely ambitious. Will the Sheriff commit to an award date of December 1st and contract signing by December 6th? Even is it were possible to order and configure all the equipment required in the time frame, a cut date of January 4th may be risky. Following immediately on the heels of Y2K weekend, there may still be some residual issues on either the Sheriff's part or the winning vendor that may adversely impact the cut. Would the Sheriff consider delaying the proposed cut date until February 1st (or at lease 6 weeks after contract signing) to insure a more orderly transition?

Answer:	**Pre-bid Conference**	**October 20, 1999**
	Bid Submission	**December 3, 1999 at 3:00 p.m.**
	Bid Award	**Within 45 days as stated in Part A, 4, Page 2, or less, unless there is some unforseen problem with the award recommendation**
	Preliminary Project Plan	**Commence as soon as possible after contract award. This will be driven by the contractor's implementation plan.**
	Final Project Plan	**March 3, 2000, unless a later date can be negotiated with MCI/Worldcom. We expect a smooth transition.**
	Equipment Installation	**Ditto Final Project Plan**

2. Part C, 2.2, Page 19: states that the awardee must be the primary contractor with no sub-contractors. Does this paragraph mean to imply that a LEC can't team with an inter-Lata carrier to respond to this bid? This would be an anti-competitive restriction in the bid since local telephone companies are legally prohibited from offering inter-Lata services.

Answer: Change Subcontractors (Resellers) paragraph to read as follows:

It is the intent of the Hillsborough County Sheriff's Office (HCSO) to award a contract to a "Primary Proposer" certified with the Florida Public Service Commission to offer coinless telephone service to confinement facilities and to normal coin telephones located outside these confinement facilities and at other locations occupied by the HCSO in Hillsborough County. The Primary Proposer may have subcontractors performing under their supervision but the Primary is responsible to the HCSO and for the subcontractors actions. Aggregators or Resellers of services for various exchange carriers, local or other, equipment providers or other service providers who can not offer the complete service of supplying the equipment, local, intraLata, IntraState and InterState coin and coinless telephone service are unacceptable. See also, Part B, 21, for vendor qualifications.

3. Part B, 2, Page 4: Please clarify the numbers of coinless phones and inmates at each facility as expected at the beginning of this contract. The inmate occupancy figures from the web site do not correspond with the phone statistics. Are all the coin and coinless instruments located inside or are some outside?

Location	Phones	Inmates
Orient Road	112	1811
Morgan Street	92	158
Falkenberg Road	93	1275
Work Release	10	143

Are the inmates allowed unlimited access to these phones or are there certain times of the day that the phones are routinely shut off?

Please clarify the situation at the Falkenberg Road facility. Are the 24 phones in trailers just temporary or is this a permanent situation? Is the total station requirement at this facility 93 or 63? A coin trailer is not normally secure enough to use in an inmate facility. What type of trailer is intended here? Is the Falkenberg Road facility just opening? When? Are inmates transferring there from other Hillsborough County facilities or from outside the system? Will there be a corresponding reduction in the number of phones required at other facilities when the Falkenberg Road facility is fully operational?

Answer: Cut offs are installed at each location. The telephones are turned on from 7:00 am to 10:00 pm, except in the booking area where two phones are in operation 24 hours a day. All phones, except the two in booking, are cut off at meal times.

The number of coinless phones at Orient Road is currently 160, with the recent installation of 48 additional phones.

Regarding Falkenberg Road, we expect it to be built out by the year 2002, with no unforseen problems. This was originally a three phase project but it has been expedited. We expect our second building to house 576 inmates and the current building to house 576 inmates.

The trailers refer to the temporary housing units which are more in the order of the temporary classrooms seen at some schools. The term trailer may be misused in this sense. The "trailers" will be utilized until further building is completed at Falkenberg. At completion of the final phase of construction an additional 50-60 telephones will be needed, in addition to the telephones moved from the trailers to the new facility.

All inmates at Falkenberg are transferees from other Hillsborough County facilities. Our daily, system wide, inmate population is currently running at 3300 on the average, although the actual bed space is officially 3000. We have been experiencing an 8-10% increase each year.

In regard to questions about, Part B, 4. Additions/Deletions, page 5, we feel that Orient Road and Morgan Street are at capacity. At Falkenberg Road, there will be 6 phones per pod. There are theoretically 72 inmates per pod.

4. Part C, 4.3.1, Page 24: Could the Sheriff provide a report of actual messages and minutes for the last 12 months by inmate facility with the station count and inmate population that generated the usage? We would also like a report of the activity on the coin phones by traffic type for the last year.

Answer: Change Part C, 4.3.1 Calculation of Commissions to read:

Commissions shall be calculated as a fixed percentage based on the total gross monthly revenues for both the Coin & Coinless telephones. It is anticipated that the HCSO coin and coinless telephones will produce in excess of 180,000 minutes of usage per month. The monthly usage figures are based on the information shown on the Attachment to the back of this document.

5. Part B, 15, Page 8: states, "...all commissions provided through the date of receipt of written notice of cancellation will be reimbursable to the Hillsborough County Sheriff's Office." Please clarify. Does this mean to say all commissions on calls placed up to date of notification will be payable to the Sheriff? Or, does it mean all commissions already paid to the Sheriff will be reimbursed to the vendor?

Answer: The intention of this clause is not to make this a month to month agreement, but merely gives the Sheriff's Office the option to cancel a contract in the event a problem arises with the contract that we have no control over. Commissions would be payable to the Sheriff's Office up to the date the contract is actually terminated.

If it becomes necessary to terminate the contract without cause, all materials and equipment provided through the date of receipt of written notice of cancellation maybe invoiced to the Sheriff's Office and will be considered for payment, providing documentation of said expenses

are forwarded with the request for payment.

6. Part B, 17, Page 8: If there will be any additional contract documents which must be executed by the Sheriff and the winning vendor, could we have advance copies to review with our legal staff?

Answer: Yes

7. Part B, 21, Paragraph 2, Page 10: Is the Sheriff mainly concerned about references in Florida for examples of local support our would they like to see national references of comparably sized facilities?

Answer: The references don't necessarily need to be in Florida. Our concern with the State of Florida is that we contract with a vendor that has enough experience with the State that they understand how our PSC operates and understand the laws governing their service within the State. Our main concern with references is that they are facilities of same or similar size, with comparable contracts. County facilities vary greatly from State and Federal facilities, so we would prefer County facilities.

8. Part B, 21, Paragraphs 3-4: Request clarification of the repair response time frames. What is the definition of "response time"? It appears from the context that this is acknowledgment back to the Sheriff that the problem is being worked on and an estimate of the expected time frame to correction. Is this correct?

Answer: Normal service repair should have as its objective a response time of two (2) hours with the restoration of service on the same day that the interruption is reported to the contractor.

An emergency request for maintenance shall be defined as a maintenance requirement in an area of the jail, or a pod, where half of the coinless telephones serving the population needs repair. There are six (6) coinless phones in a pod. An emergency request will not be the normal situation.

9. Part B, 21, Paragraph 3: Request clarification of "emergency service". Based on the definition presented, virtually every repair issue would be an emergency. Is this the intention? If not, suggest rewording to limit emergency response requirement to system outages affecting 4 or more inmate phones.

Answer: See answer to question 8 above.

10. Part B, 26-27, Page 11: When will interested vendors be able to conduct a site survey of the listed facilities? Who should they contact to make the arrangements?

Answer: Contact Major Robert Lucas. His phone number is 813-247-8320.

11. Part C, 1.2, Page 14: Are there currently PSC rate ceilings for inter-Lata, intra-state calls?

Answer: This questions should be addressed to the PSC.

12. Part C, Paragraph 3, Page 15: New service installations are dependent on LEC dial tone due dates which sometimes fall outside the 5 working day parameter. Could this requirement be rewritten to provide more leeway on the new service?

Answer: Change Part C, 1.2A, Paragraph 3 to read:

The contractor must provide equipment and service implementation within five (5) working days of LEC installation of access line(s) after receipt of an add, move or change order. When additional coinless and coin telephones are required during the contract period, the contractor shall install equipment at each designated location and the cost of installation, including wiring, shall be borne by the contractor if not already available at the location by owner. It may be necessary to install wiring to the nearest IDF within the facility.

13. No mention is made of cut-off keys. Does the Sheriff already have them installed? Or, is the call control system going to be used exclusively to cut off the phones? If cut-off keys are required from the vendor, is there a desire for a single switch to shut down the whole facility or individual keys for each phone?

Answer: Cut off keys are the property of the Sheriff's Office. Vendors are not required to install them.

14. Part C, 4, Page 16: Does the sheriff already have TDD equipment which must work with the inmate call control equipment or is the vendor to supply it? How many TDD units does the Sheriff typically need? Is 1 per facility sufficient?

Answer: Change Part C, 1.21 (4) TDD devices to read:

The TDD devices are the property of the Sheriff's Office and any additional units will be purchased by the Sheriff's Office. Monitoring of these devices will be provided by the successful contractor. There are presently eight (8) such devices in our system. Six are in operation, two are back-ups.

15. Part C, 7, Page 16: This paragraph seems to be at odds with the repair response requirement on page 10. Does the Sheriff really want an on-site report of an instrument outage, a phone call telling them about the outage, and hourly reports until service is restored? This seems excessive for a single instrument outage. It would be more appropriate response for a major system outage. Was this the intention?

Answer: Change Part C, 1.21 (7) to read:

Telephone instruments offered should have automated problem reporting capabilities and provide automatic notification to the system administrator that the telephone is out of order. If vendor is notified of outage by means of the system, the vendor should contact Sheriff's Office personnel and initiate maintenance.

16. Part C, 14, Page 16: Is person to person service a requirement or a service option? This service is extremely expensive for the called party. Is there a specific application that the Sheriff is thinking of that would require this service? The initial announcement together with the inmate's name generally provides enough specific information for the called party to decide whether to accept the call.

Answer: This section, as well as other sections of the specifications outline the need for coinless telephones to have the capability of collect person-to-person calls. The Sheriff's Office wants the coinless telephones to have the capability of Collect Station-to-Station calls only.

17. Part C, 17, Page 17: Which facility or facilities use the LaserVoice equipment?

Answer: All facilities have LaserVoice equipment installed in them.

18. Part C, 2.0, F, Page 19: To insure correct handling of the call and functioning of all security feature, e.g. 3-way detect , inmates are not allowed access to live operator except for international collect calls. Is this consistent with the Sheriff's expectation?

Answer: In Part C, 2.0 delete (E), (F) and (G).

19. Part C, 3.2, Page 20: The expected grade of service is missing. Should P.01 grade of service be inserted here to match the public switched network service levels?

Answer: Change Part C, 3.2 to read:

An originating grade of service of Poisson .01 shall be provided by the Contractor at the local exchange carrier grade of service level regardless of the end termination grade of service.

20. Part C, 3.3, Page 20: In addition to concern about)- access for inmate phones (not a problem with coin phones), International inmate collect calls are only allowed to countries with billing and collection agreements with our partner long distance carrier. No carrier will complete calls with no expectation of collection.

Answer: Change Part C, 3.3 to read:

With the inclusion of the proposed areas, the contractor shall be able to provide calling service to the following areas for Coin Telephones. All coinless telephones shall be afforded Collect Station-to-Station calling only. List any exceptions to the following for reasons if inability to bill and collect in some countries.

A. All other telephone companies located in the State of Florida.
B. All telephone companies located in North America.
C. All South and Central American countries.
D. All other international countries.

21. Part C, 3.5, Page 20: The last sentence states "Calls are to be charged by increments of a minute and not if full minute increments." Should this say "charged in 6 second increments"?

Answer: We prefer increments of a minute.

22. Part C, 3.6, Page 20: If the local exchange carrier and a major long distance carrier operator service functions are being used for the coin and inmate telephones, is there any requirement to address issues 3.6.1-3.6.7?

Answer: Yes we would prefer to know.

23. Part C, 3.8, C, Page 22: Clarification of monthly reporting. Does the Sheriff want to know total revenues, minutes and surcharges by line? To verify rating, would it be sufficient to provide revenues, minutes and messages by line by month?

Answer: Tell us what reports you can give us. Give us as much call detail as possible. An example of existing reports would be helpful.

24. Part C, Paragraph 3.8, Page 22: What is an ADS clearing house? How would such an entity screen bills before they were mailed to the called party? This does not sound appropriate.

Answer: Delete this requirement.

25. Part C, 3.12, Page 23: Does alternative access code include the carrier's 800 service?

Answer: Yes

26. Part C, 4.3.1, Page 24: Was the omission of Local and Intra-Lata coin and 0+ revenue in the commission requirement an over sight?

See response to GTE question number 4.

27. Part C, 4.3.3, Page 24: Request consideration of commission payment within 30 days of the closing of the billing cycle. Processing all the LEC call records and receiving the records from our long distance partner to produce an accurate commission statement takes time.

Answer: Fifteen (15) work days for payment is ideal for us. If you can't provide that, tell us in your response what you can offer.

28. Part B, Item B, Page 8: "Thirty (30) calendar days written notice without cause." Request clarification. Doesn't this in essence make this a month-to-month agreement? Is this negotiable and could other terminology, acceptable to both parties, be submitted?

See response to GTE question number 5.

<u>BellSouth Questions</u>

1. Part C, 2.2, Page 19: Please clarify subcontractors etc.. are unacceptable; awardee will be the primary contract or.

See response to GTE question number 2.

2. When will the award be made?

Answer: As soon as possible after the opening of the RFP

3. When will actual contract negotiations be completed?

Answer: As soon as possible after the award.

4. Will it be possible to negotiate a short period of continuing service for 1 or 2 facilities to allow completion of the total installation?

Answer: Possibly, this would need to be discussed with the current service provider.

5. Telephone station wiring - will the station wiring remain in place as it currently exists? Does Hillsborough County Sheriff's Office own the station wiring? What wiring must be replaced or newly run?

Answer: The telephone station wiring as it currently exists, is owned by the Sheriff's Office. New wiring shall be provided as outlined in Part C, Section 1.2A, Paragraph 4.

6. Existing inmate telephones - what is the brand and model of the inmate telephones in place? Are the inmate telephones in-place for sale? At what Price? Will the current vendor be responsible for inmate telephone removal? Who will coordinate the removal of inmate telephones to successfully meet the ambitious implementation requirements? Will it be possible to replace some current inmate telephones with new vendor telephones prior to the actual cut date?

Answer: It would be helpful if you provide an implementation plan with your suggestions in the response to the RFP. Regarding the sale and price of existing equipment, that would need to be discussed with the current service provider.

7. Part B, 30, Page 12: What is meant by the "present call accounting system? Is this the inmate telephone system?

Answer: Change Part B, 30, Paragraph 3 to read:

The present call accounting system being used and installed by MCI/worldcom is Telequip ACP 9000 and is installed at Orient Road Jail with individual units installed at each of the other jail facilities. We have been advised that technical information can be obtained from Mr. John Mow at 1-800-329-3290.

8. Part C, 4, Page 16: TDD devices. How many TDD d e vices will be required; at what locations; what type TDD devices - permanently wire or can they be acoustically coupled, portable devices made available when needed by an inmate?

See response to GTE question number 14.

9. Y2K compatibility: Is the current system Y2K compatible? If not, new system installation must be completed prior to 1/1/2000 to ensure continuous service.

Answer: the current system is Y2K compliant.

10. Part C, Page 18: Public service telephones - are all public service telephones included in the listing on Page 4, Part B? Are public service telephones those shown as coin phones?

Answer: Yes

11. Part C, 1.2.B, Pages 18-19: Please clarify when the selected vendor will become responsible for payment of commissions. Will this be when the new telephone system is actually installed and operating? This transit ion should not begin with acceptance of the contract , which will be prior to installation ad service transition.

Answer: Commissions will become the responsibility of the new Contractor when the service commences, not necessarily when the contract is signed or awarded.

12. Part C, 3.5, Page 20: Call billing by increments of minutes. What increments are anticipated? Does the current system bill in increments of minutes? Most inmate systems do not currently bill in increments of minutes.

See the response to GTE question number 21.

13. Part C, 3.3, Page 20: Should these different call types be indicated for Inmate telephones and coin

telephones separately?

Answer: Change Part C, 3.3 to read:

With inclusion of the proposed areas, the Contractor shall be able to provide 0+, 01+ and 00- calling in addition to local calling for coin telephones and collect station-to-station calls only for the coinless telephones to the following areas.

A. All other telephone companies located in the State of Florida.
B. All telephone companies located in North America.
C. All South and Central American countries.
D. All other international countries.

14. Part C, 3.6.6, Page 21: Are collect person-to-person calls required for inmate telephones? These are not normally provided in the inmate environment with automated operator services.

See response to GTE question number 16.

15. Part C, 3.8, Page 22: What storage medium should be anticipated for these reports? This represents a very large volume of data not normally provided on a monthly basis with commissions payments. Could the data be made available on a dial-in as required basis Rather than transmitted monthly.

Answer: Tell us what options you have available in your response.

16. What is the current commission rate for HILLSBOROUGH COUNTY SHERIFF'S OFFICE pay telephones, local; intra-Lata, inter-Lata?

Answer: 57.5% for all.

17. What are current annual pay telephones revenues for HILLSBOROUGH COUNTY SHERIFF'S OFFICE by facility and by local, intra-Lata inter-Lata?

See Attachment to the back of this document.

<u>MCI Questions</u>

1. Part B, 16, Page 8: Please clarify the requirement (of Next Best Proposer). As written, this provision would require the "next best proposer" to hold its proposal valid and subject to acceptance by the Sheriff's Office, for up to 7 years, i.e., at any time during the contract term when the selected contractor defaulted. Is that the true intent of this Clause?

Answer: This is true, however this very seldom occurs and on an extensive contract, such as this one, it would probably be negotiable.

2. Part C, Paragraph 16, Page 17: We request that the requirement to offer person-to-person collect calling via an automated operator be removed from the RFP. Person-to-person collect calling via an automated operator platform is not technically possible because there is no mechanism to verify the person answering the call is in fact the intended called party. Additionally, person-to-person surcharges are significantly higher than station-to-station collect calls, resulting in higher charges for identical services.

See the response to GTE question number 16.

3. Y2K compliance, Page 18: Will the Sheriff's Office reconsider its position on year 2000 (Y2K) compliance, as reflected in the referenced RFP section, given the nature and subject of the contract contemplated by the RFP? The reasons for this request follow.

REASON: MCI/WorldCom is concerned that this RFP provision does not accurately reflect either the needs of the Sheriff's Office under the contemplated contract or industry practice with respect to Y2K readiness of network service providers. Rather, this RFP provision appears best suited for the purchase acquisition of computer hardware or the licensing of software, not the provision of network services by a regulated common carrier. This RFP clearly provides that the Sheriff's Office will not expend funds and the contractor will retain ownership of all equipment and software used to provide the inmate telephone system ("System"). This , at the critical moment for Y2K compliance - the change of year from 1999 to 2000 - the essence of the contemplated contract will be MCI/WorldCom's provision of net work services in support of t he system and MCI? WorldCom and/or it subcontractor(s) will still be the owners of the system equipment and software (excepting only the LazerVoice monitoring system separately procured by the Sheriff's Office).

First, from an operational standpoint, the paramount interest of the Sheriff's Office should be to as sure that network services in support of the system continue without interruption. In practical terms, it should make no difference why network service might be interrupted or impaired. In that respect, it is irrelevant whether a network outage were to result from a Y2K problem as contrasted with other service defect since the carrier's obligation should be the same - res tore service or face default.

In this vein, there is an important difference between (a0 payment for network services and, (b) buying computer hardware or procuring a license to use software. In the latter case, when buying hardware or licensing software, a customer such as the Sheriff's Office expends only presently in expectation that the hardware and software will function correctly in the future. Conventional product warranties may not extend long enough to cover a defect occurring at the millennium or the terms of such warranty may not even reach y2K defects. Thus, it is prudent to request such a warranty - and manufacturers can build and test their products so as to provide such a warranty. In contract, the Sheriff's Office is not expending any money whatsoever in connection with the equipment and software to be used by MCI/WorldCom in support of the system, and the consumers of the network services - the parties use such services. If the carrier cannot provide network connectivity or complete calls, then it is unable to derive revenue from called parties or calling parties and the commissions payable to the Sheriff's Office may be affected, but that could be addressed by other means, e.g., if the carrier cannot restore service, it risks termination of its contract, with any resulting le gal liability.

Compare this situation with that in which the Sheriff's Office purchases a computer system and pays for it only to find that it develops a Y2K defect, leaving the Sheriff's Office with sunk costs and non-functioning equipment. Second, from an overall industry standpoint, these provisions exceed the Y2K "compliance" obligations imposed by the United States government on its network service provider. The Department of Defense, through the Defense Information Technology Contracting Office (DITCO) is responsible for such mission-critical communications networks as the FAA 's air traffic control system and the Defense Information Systems Network. DITCO does not require that communications carrier warrant their networks to be :Y2K compliant. DITCO has recognized that there are simply too many variables in completing a telephone call the that carriers do not control many of them. But, DITCO has recognized that in the ordinary course of business carriers will test and groom their networks to assure that they will be Y2K ready. Carrier have eery incentive to tod t his, since if the network fails because of Y2K problems, t he carrier may be unable to provide service to any of its customers and has be unable to earn any income. Beyond that, DITCO recognized that a Y2K related network outage should be related legally in the same manner as an other network outage, the carrier or must either restore service

or face the risk to default. Similarly; carriers do not provide Y2K warranties to commercial customers, regardless of size.

Third, in providing the network services in support of the system, an inter-exchange carrier, such as MCI/WorldCom, must utilize the services of local exchange companies over who there is no contractual control and who offer no service warranties. For example, a long distance carrier completing a call using switched access will both originate and terminate a call from a Sheriff's Office facility using the local phone company whether an RBOC or an independent telco. The local exchange carrier offers their services under tariff and simply do not offer warranties of any nature on their service, let alone one that Y2K specific.

In sum, MCI/WorldCom believes that this RFP provision was developed to address Y2K issues in goods that the Sheriff's Office may buy now and which must be useful after December 31, 1999. In contrast, the Sheriff's Office will not be purchasing anything from MCI/WorldCom under the contemplated contract and, moreover, MCI/WorldCom's communication network is continually evolving. In order to comply with this clause, a network service provider would have to examine its network today (including all local exchange carriers throughout the Untied States), make the warranty, if possible, and then "freeze the configuration" to avoid breaching the warranty. This would of course, stifle innovation.

As a factual matter, it is simply not possible for a long distance carrier, such as MCI/WorldCom to make the Y2K warranty requested by the Sheriff's Office, even if the Sheriff's Office were purchasing network services directly from MCI/WorldCom. This is because the network itself is large and complex. Legally, for a carrier to make a warranty with respect to its network requires thorough factual inquiry and resting of all network elements. MCI/WorldCom (and other carriers) are currently engaged in this inquiry and related testing but it is not factually possible to make the warranty requested. As evidence of this continuing analysis, long distance carriers regularly update both the FCC and SEC on their state of Y2K readiness.

In summary, although MCI/WorldCom recognizes the interest of the Sheriff's Office in ensuring that the network services provided to the inmates and coin phone users continue after the millennium and agrees that this interest should be addressed in the resulting contract, MCI/WorldCom respectfully recommends that the Sheriff's Office modify the RFP to substitute the clause set forth below in place of the above referenced provisions. This clause is designed to address the Y2K concerns of the Sheriff's Office and is tailored to the communication industry, in that it imposes on them the affirmative obligation to test and otherwise prepare their networks so as to avoid Y2K problems. However, it recognizes that a Y2K-caused network outage should be treated no differently than any other network outage, imposing on the contractor potential liability for contract default. The proposed clause is: *Contractor is using and shall continue to use reasonable efforts, including continued testing of its network for Year 2000 readiness, to prevent any material interruption or impairment, by the so-called "year 2000 problem," of the network services provided under this contract by Contractor. Upon the reasonable request of the Sheriff's office, Contractor will provide an update on the state of its Year 2000 readiness. The "year 2000 Problem" generically refers to the potential inability of some computer systems to accurately handle date-related functions involving dates of January 1, 1000 and thereafter. Contractor shall have no liability for impairment or interruption caused by hardware or software provided by the Sheriff's office. If there is a service interruption or impairment from a Year 2000 Problem, the rights and obligations of the Sheriff's Office and Contractor shall be the same as those available for other similar service impairments or interruptions.*

In the alternative, MCI/WorldCom respectfully requests that the Sheriff's Office allow bidders to propose their own Y2K clauses. In this way, the Sheriff's Office can verify the state of the industry on this issue while at the same time positioning itself to negotiate an acceptable clause that balances the performance responsibilities of each contractor with the public responsibility of the Sheriff's Office to the citizens of

Hillsborough County.

Answer: All this information being considered, I would recommend the response to Y2K compliance be a copy of your companies Y2K plan.

<u>Additional Questions that came up in the Proposal Conference</u>

Change Part C, Section 1.2A, Paragraph 5 to read:

All telephones or other equipment provided and installed must be new and in current production for marketing purposes. If a negotiated purchase of equipment from present service provider can be made by the proposer and if it is in current production for marketing purposes, this too will be acceptable. All equipment shall comply with all FCC and Florida Public Service Commission regulations relating to telecommunications equipment and transmission.

Hal,

Per your request, I have noted below the Hillsborough County Average Calls/Minutes for YTD 1999 and the rates that are currently charged under the existing contract. Please give me a call if you have any questions.

Keith Eismann
1-800-444-3675

AVERAGE 1999 YTD	CALLS	MINUTES
LOCAL	134,788.44	1,516,200.78
INTRALATA	5,419.56	58,863.78
INTERLATA	7,388.89	76,956.22
INTERSTATE	5,363.44	54,297.33
TOTAL	152,960.33	1,706,318.11

CURRENT RATES	SURCHARGE	RATE PER MINUTE
LOCAL	$1.50	N/A
INTRALATA	$1.75	$.21
INTERLATA	$1.75	$.26
INTERSTATE	$3.50	$.55

Please be aware this document hereby becomes part of Proposal Number 02-00 and without this complete document the Proposal is considered incomplete.

Sincerely,

J. H. Shillady
Comptroller

JHS:ch

ACKNOWLEDGMENT OF ADDENDUM NUMBER 1

We do hereby acknowledge the above changes to Proposal Number 02-00 for Coin & Coinless Telephone Equipment, Local, Inter-lata and Intra-lata Services

PLEASE PRINT - Company Name_____

By_____

Title_____

Date_____

Phone_____

Signature_____