

**SECOND AMENDMENT
TO
PRICE CONTRACT #276-2011 FOR INMATE TELEPHONE SERVICES
FOR
COMMUNITY CORRECTIONS**

This **SECOND AMENDMENT** ("Second Amendment") is effective as of June 20, 2016 ("Second Amendment Effective Date") and amends and supplements that certain Price Contract #276-2011, by and between Lexington-Fayette Urban County Government ("County") and Securus Technologies, Inc. ("Securus") for Inmate Telephone Services for Community Corrections, which was accepted by the Urban County Council on July 7, 2011, as subsequently amended by that certain First Amendment, which was accepted by the Urban County Council on December 4, 2014 (collectively, the "Agreement").

WHEREAS, the parties desire and agree to amend the Agreement to extend the Term of the Agreement by twelve (12) months and to make necessary changes in order to comply with the New FCC Order, as more fully set forth herein;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. **TERM.** This Second Amendment shall commence on the Second Amendment Effective Date and shall remain in effect through the Term of the Agreement. Further, the Term of the Agreement shall be renewed and extended by an additional twelve (12) months with a modified end date of August 1, 2017. Notwithstanding anything to the contrary, the terms and conditions of the Agreement shall continue to apply for so long as we continue to provide the Applications to you after the expiration or earlier termination of this Agreement.
2. **NEW FCC ORDER REQUIREMENTS.** The following is hereby added to the Agreement:

NEW FCC ORDER REQUIREMENTS

On March 7, 2016, the U.S. Court of Appeals entered a Stay of the following portions of the new Rates for Inmate Calling Services; Final Rule [47 CFR Part 64 - WC Docket No. 12-375; FCC 15-136] (the "New FCC Order"):

- § 64.6010 (setting caps on intrastate calling rates); and
- § 64.6020(b) (2) (setting caps on fees for single-call services).

Effective June 20, 2016, the terms of the Agreement shall be hereby modified as follows to reflect the applicable portions of the New FCC Order that were not stayed:

§ 64.6080 Per-Call, or Per-Connection Charges.

No Provider shall impose a Per-Call or Per-Connection Charge on a Consumer.

§ 64.6090 Flat-Rate Calling.

No Provider shall offer Flat-Rate Calling for Inmate Calling Services.

§ 64.6100 Minimum and maximum Prepaid Calling account balances.

(a) No Provider shall institute a minimum balance requirement for a Consumer to use Debit or Prepaid Calling.

(b) No Provider shall prohibit a consumer from depositing at least \$50 per transaction to fund a Debit or Prepaid Calling account

§ 64.6020 Ancillary Service Charge - Ancillary service fees are capped in some cases and banned in many others:

- (1) For automated payment by phone or website: \$3 per use;
- (2) For payment through a live agent: \$5.95 per use;
- (3) For paper/bill statement fee: \$2 per use;
- (4) Third-party financial transaction fees, such as fees charged by MoneyGram or Western Union, may be passed through with no mark-up.

All other ancillary service charges are prohibited.

3. CALLING RATES: Although the intrastate rate caps were stayed by the US Court of Appeals, the County has decided that it's in their best interest to reduce all intrastate calling rates (collect, debit and AdvanceConnect), as of the Second Amendment Effective Date, to the rate that would have gone into effect for 1,000+ ADP, if the US Court of Appeals had not stayed the cap on intrastate calling rates. Accordingly, as of the Second Amendment Effective Date, all intrastate calls (including all local and long distance calls) shall be reduced to \$0.14 (fourteen cents) per minute.

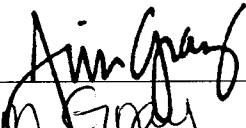
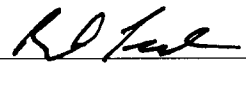
4. COMMISSIONS: In addition, as of the Second Amendment Effective Date, commissions shall be reduced to 0% (zero percent) and shall no longer be due or owed, provided, however the parties will revisit the subject matters of both commissions and calling rates once the U.S. Court of Appeals rules (GLOBAL TEL*LINK, Securus Technologies, Inc., et al., vs. Federal Communication Commission, case no. No. 15-1461 and consolidated cases).

5. PRODUCTS/TECHNOLOGY. The following technology will be provided to County during the Term of the Agreement at no charge in exchange for the twelve (12) month extension referenced herein:

- (a) Automated Information Services (AIS™)
- (b) Threads™
- (c) LBS

6. Except as expressly amended by this Second Amendment, all of the terms, conditions and provisions of the Agreement shall remain in full force and effect.

EXECUTED as of the Second Amendment Effective Date.

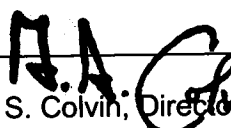
Lexington-Fayette Urban County Government	Securus Technologies, Inc.
By: 	By: 
Name: <u>Jim Gray</u>	Name: Robert Pickens
Title: <u>Mayor</u>	Title: President
Date: <u>Jun 16, 2016</u>	Date: <u>6-5-16</u>

Please return signed contract to:

**14651 Dallas Parkway
Sixth Floor
Dallas, Texas 75254
Attention: Contracts Administrator
Phone: (972) 277-0300**



TO: Mayor Jim Gray
Members, Urban County Council

FROM: 
Lt. Col. G. S. Colvin, Director (interim)

CC: Ronnie Bastin, Commissioner Public Safety

DATE: June 3, 2016

SUBJECT: APPROVE SECOND AMENDMENT TO CONTRACT WITH SECURUS TECHNOLOGIES, INC.

Request

Request Council authorization to approve second amendment to the Securus Technologies, Inc. agreement for the provision of telephone service for the offender population.

Why are you requesting?

To modify the existing agreement with Securus Technologies and to extend the term of agreement for twelve months to August 1, 2017.

To comply with FCC order for new rates for Inmate Calling Services, the agreement modifies the following items:

- Per Call, or Per-Connection Charges – these shall not be imposed
- Flat Rate Calling – no flat rate calling;
- Minimum and maximum prepaid calling account balances – no minimum balance requirement
- Calling rate – LFUCG has decided that it's in their best interest to reduce all intrastate calls rates (collect, debit, and AdvanceConnect) to the rate that would have gone into effect for 1,000+ADP, if the US Court of Appeals had not stayed the cap on intrastate calling rates. Accordingly the intrastate calls (including all local and long distance calls) shall be reduced to 14 cents per minute.
- Ancillary Service Charge – fees are capped in some cases and banned in many others



- \$3 fee for automated payment by phone or website
- \$5.95 fee for payment through a live agent
- \$2 fee for paper/bill statement
- Third party financial transactions fees (i.e. Western Union/Money Gram) may be passed through with no mark-up
- Commissions – commissions shall be reduced to 0% and shall no longer be due or owed
 - The parties will revisit the subject matters of both commissions and calling rates once the US Court of Appeals rules (GLOBAL TEL*LINK, Securus Technologies, Inc. *et al.*, vs. Federal Communication Commission, case no. 15-1461 and consolidated cases).
- Products/Technology – Securus will provide the following technology to LFUCG during the term of the agreement at no charge
 - Automated Information Services (AIS)
 - Threads
 - LBS

What is the cost in this budget year and future budget years?

The cost for this FY is: 0

The cost for future FY is: 0

Are the funds budgeted?

There is no cost to government

File Number: 0673-16

Director/Commissioner: G. Scott Colvin/Ronnie Bastin

