

County of Santa Clara
Department of Correction

180 West Hedding Street
San Jose, California 95110-1772
(408) 299-4005



Quslim Inham
Director

SECTION 7

LETTER OF ACKNOWLEDGEMENT

I, Paul Jennings from Law Systems
Proposer Company Name

hereby acknowledge receipt of the RFP, sent by UPS overnight service August 18, 1992, Addendum #1, distributed at the mandatory site tour on August 25, 1992, and Addendum #2 enclosed in this packet.

I am also aware that the RFP due date has been extended from September 18, 1992 to September 25, 1992 at 5:00 p.m..

I understand that failure to return this "Letter of Acknowledgement" with my response, by the due date, will result in the rejection of my response and I will no longer be considered a candidate in the selection process for this RFP.

[Signature] Date 9/22/92
Signature Date

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EXECUTIVE SUMMARY

Pacific Bell is proposing that the County of Santa Clara accept our response for providing inmate telephones at the Elmwood, George and Palo Alto facilities. We believe that 80 plus years in the business makes us highly qualified to perform the services outlined in the RFP. We manage and maintain over 150,000 pay phones, including over 80% of all inmate telephones, in California.

Our recommendation to the County of Santa Clara is to continue our long standing relationship. Pacific Bell strives to reach new levels of excellence in providing quality service and equipment and will continue to upgrade existing equipment as new services become available.

Since Pacific Bell's telephones are in place at your facilities today, there will be no downtime, and no loss in revenue, which can occur when systems are replaced.

Pacific Bell is offering three commission plans for you to review, and choose the one that best suits your needs. Each of these plans is expected to result in at least a 100% increase in the commissions you currently receive. The total commission the county is estimated to receive, based on today's usage, over the life of the five year contract, is approximately \$5,000,000.00

All information in this RFP response relating to commissions, commission percentages, payments, option plans or estimated dollar figures is proprietary, both before and after the bid process and award and shall not be disclosed outside of Santa Clara County without written permission from Pacific Bell.

Pacific Bell takes pride in the good rapport and long-term relationships we have with most of our customers. We want to continue our valued relationship with Santa Clara County as the provider of inmate public telephone service.

Section I

1. PROPOSER INFORMATION REQUIREMENTS

A. Headquarters Office

Location	140 New Montgomery San Francisco, CA 94102
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Services Available	Pacific Bell provides the widest range of tele-communications in California today, including: Centrex, ISDN, Inmate Services, Residential Lines, Business Lines, Public Pay Telephones, Voice Mail, etc.
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Financial Considerations

Ownership	Public Corporation
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Credit Rating	Pacific Bell has A credit rating from Standard and Poors (see following)
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Accounting Procedures	Pacific Bell uses standard accounting procedures
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Audit Control	Pacific Bell is externally audited annually by: Federal Communications Commission (FCC), California Public Utilities Commission (CPUC), and Coopers and Lybrand. Pacific Bell's financial statement and the independent audit by Coopers and Lybrand is found in our 10K report as Attachment A2.
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B. Management

Background of top
Management

P.J. Quigley
President
25 years experience

J.L. Hancock
Executive Vice President
(1 of 3 EVPs)
4 years experience

Mary Lou Shockley
Vice President (1 of 23
VPs)
26 years experience

R.W. Odgers
Secretary
5 years experience

L.L. Christiansen
Treasurer
33 years experience

(NOTE: The total stock owned by all officers is less than 1%
of Pacific Telesis outstanding shares.)

Degree of
Participation

Pacific Bell and its
employees, including top
management, are devoted
100% to local operations
in California.



Post-It™ brand fax transmittal memo 7871		# of pages = 1
To: CHRIS SHELLEY	From: CHRISTI SCHIFFERLE	
Co: PACIFIC BELL	Co.	
Dept.	Phone: 570-675-7339	
Fax #: 408-977-1271	Fax #: 570-675-7531	

September 24, 1992

Sheri Requeros
 Santa Clara County
 Department of Corrections
 180 West Hedding Street
 San Jose, Ca 95110

Dear Ms. Requeros:

At the request of our customer Pacific Bell, I am writing to you to inform you of both the status of our relationship as well as the history of the relationship between our two companies.

Pacific Bell has been a customer of the Bank's for many years and is considered to be one of our most valued customers. We have both an extensive deposit and credit relationship with them and both continue to be in good standing.

Please let me know if I can supply any further information.

Sincerely,

Christi Schifferle
 Account Administrator
 (510) 675-7339

sg

C. Organizational Structure

Area of Activity	California
Total Number of Operations	Number of public telephones: 147,000 Number of public telephone employees: 700
	Financial highlights for Pacific Bell and its Inmate Services Department (Public Communications) are listed below.

Pacific Bell
Financial Highlights

Dollars in millions	1987	1988	1989	1990	1991
Operating Revenues	\$9,156	\$9,483	\$9,593	\$9,716	\$9,895
Operating Income	\$2,112	\$2,493	\$2,521	\$2,227	\$2,114
Net Income	\$ 950	\$1,188	\$1,242	\$1,030	\$1,015
Debt Ratio	43.5%	41.2%	41.3%	46.2%	45.2%
Total Assets	\$21,598	\$21,408	\$21,289	\$21,581	\$21,838
Employees	71,877	69,696	68,482	65,829	62,236

Pacific Bell
Public Communications
Financial Highlights

	1987	1988	1989	1990	1991
Gross Revenues	\$356.1M	\$373.6M	\$316.3M	\$317.7M	\$304.6M

Structure of National
Supervision

Pacific Bell does not have a national organization. It is only authorized to operate in its franchised territory in California. Pacific Bell's parent company, Pacific Telesis, operates nationally and internationally.

D. Regional Office

Pacific Bell Public
Communications

Location

39 Beta Court
San Ramon, CA 94583

Services Available

Northern California Public Telephone Installation and Maintenance Center, Northern California Coin Collection and Counting Center, and statewide business office.

E. References

1. Please provide at least three (3) references of customers using the same equipment/system proposed. Corrections references are preferred with jail systems preferred over prison or other systems. Local references are preferred (within the State of California), then west coast, then nationwide. Be sure to provide contact names and phone numbers. References should have had the system at least six months.

1. Los Angeles County Sheriff's Dept.
1850 telephones
Lt. Terry Carlton
213-974-4189
2. Orange County Sheriff's Dept.
400 telephones
Lt. Dennis Rohm
714-647-4648
3. Riverside County Sheriff's Dept.
150 telephones
Lt. Kim Garthwaite
714-275-2758

4. Ventura County Sheriff's Dept.
130 telephones
Lt. Joe Funchess
805-654-2306 or
Lt. Bruce McDowell
805-654-2320
5. San Mateo County
Mr. J. Cook, Telecommunications Manager
415-363-4400
6. Alameda County
Mr. C. Barry, Director of Inmate Services
510-551-6948
7. Contra Costa County
Mr. Peter Christiansen, Director of Inmate
Services 510-646-4872
8. San Benito County Sheriff's Dept.
H. Nyland, Sheriff/Coroner
408-637-5323
9. Sacramento County Sheriff's Department
220 telephones
Capt. Ed Doonan
916-440-5188
10. San Joaquin County
180 telephones
Mickey Pollack, Communications Officer
209-468-2900
11. Humboldt County
45 telephones
Capt. Ben Doane
707-445-7572
12. Mendocino County
38 telephones
Sgt. Chuck Warner
707-463-4411
13. Nevada County
21 telephones
Lt. Bob Hammill
916-625-1291
14. Tehama County
18 telephones
Sgt. Walt Goodwater
916-527-8680

15. Yolo County
45 telephones
Lt. Tom Musgrove
916-668-5274
16. Yuba County
28 telephones
Capt. Mark Chandless
916-741-6475.
17. San Diego County
Cdr. James Decker
619-974-2265.

2. Please provide at least two (2) former accounts (preferably jails) and reason(s) your company is no longer doing business with them and name and phone number of client contact.

The following accounts left Pacific Bell and had competitive equipment installed. The reason they left was because the commissions appeared to be higher and the service was presumed to be equal.

- 1) Placer County
Jerry Jarmadarian
Telecommunications Manager
916-889-7735
- 2) Monterey County
Deputy Chief John Davison
408-755-3859
- 3) Lake County
Jim Wright
Telecommunications Manager
707-994-6433

2. LICENSES

Pacific Bell is a regulated utility and as such is authorized by the CPUC to provide telecommunications services in its franchised territory in the State of California. To acquire this franchise, Pacific Bell must comply with the California Business and Professional Code, Section 7042. This code and its compliance by Pacific Bell exempts Pacific Bell from all state contracting licensing requirements.

Any required permits or documents not covered by this code at the time your system was installed were obtained by Pacific Bell. If any future enhancements or installations require permits, licenses or documents that are not covered by this code, they will be obtained by Pacific Bell prior to installation.

3. BUSINESS PARTNERS OR ASSOCIATES

Pacific Bell will install and maintain the entire system. There will be no partners or associates. We will be willing to be your single point of contact for inmate telephone service and work closely with the long distance company you select.

4. WORKERS' COMPENSATION INSURANCE

- 1) Contractor shall maintain workers' compensation insurance coverage for all non-exempt workers employed by Contractor in their performance of the work, either as a carrier or self-insured employer. A certificate showing current workers' compensation insurance, or a copy thereof, will be required prior to the awarding of a contract to a successful bidder. See attached certificate.
- 2) If Contractor has no employees and will perform the work without the assistance of others, a certificate to that effect may be submitted in lieu of the certificate showing current workers' compensation insurance coverage as described in subparagraph 1) above. Not applicable.
- 3) Employer's Liability coverage must be not less than one million dollars (\$1,000,000) per occurrence for all employees engaged in services or operations.
- 4) Inclusion of the County (and District) and its (their) governing boards, officers, representatives, agents, and employees as additional insureds, or a waiver of subrogation.

TOTAL P. 02

Virginia F. Tormey-Lawson, CPCU
Director - Risk Management

Pacific Telesis Center
130 Kearny Street, Suite 3474
San Francisco, California 94108-4819
(415) 394-3085
Fax No.: (415) 391-8132

PACIFIC  **TELESIS.**
Group

September 23, 1992

**SANTA CLARA COUNTY
DEPARTMENT OF CORRECTION
180 W. HEDDING STREET
SAN JOSE CA 95110**

RFP: #240-03061WF

GENTLEMEN:

THIS IS TO CERTIFY THAT PACIFIC BELL HAS QUALIFIED AS A SELF-INSURER UNDER THE LAWS OF THE STATE OF CALIFORNIA WITH RESPECT TO WORKERS COMPENSATION. OUR IDENTIFICATION NUMBER FOR THIS PURPOSE IS 2-0054-03.

IN ADDITION, PACIFIC BELL IS SELF-INSURED FOR ALL GENERAL AND AUTO LIABILITIES, INCLUDING BODILY INJURY AND PROPERTY DAMAGE.

PLEASE ACCEPT THIS LETTER AS EVIDENCE OF SUCH SELF-INSURANCE IN AN AMOUNT SUFFICIENT TO MEET YOUR REQUIREMENTS UNDER THE TERMS OF THE AGREEMENT WITH PACIFIC BELL.

SINCERELY,

Virginia F. Tormey-Lawson

**VIRGINIA F. TORMEY-LAWSON, CPCU
DIRECTOR - RISK MANAGEMENT**

*cc: Jim Sator - Pacific Bell
Tel# (510)682-9262
Fax# (510)685-7120*

CERT #166

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TO
FROM
08:06
SEP-23-1992

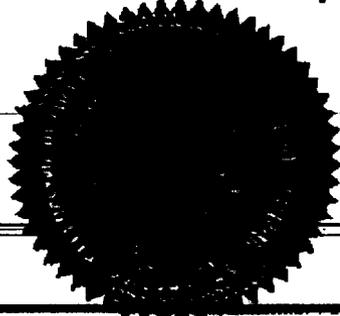
STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
OFFICE OF THE DIRECTOR

NUMBER 0054

CERTIFICATE OF CONSENT TO SELF-INSURE

THIS IS TO CERTIFY, That PACIFIC BELL (a California corporation)
has complied with the requirements of the Director of Industrial Relations under the provisions of
Sections 3700 to 3705, inclusive, of the Labor Code of the State of California and is hereby granted this
Certificate of Consent to Self-Insure.

This certificate may be revoked at any time for good cause shown.*



EFFECTIVE:
THE 4th DAY OF JANUARY 19 18

DEPARTMENT OF INDUSTRIAL RELATIONS
OF THE STATE OF CALIFORNIA
R. T. Rinaldi
E. T. RINALDI DIRECTOR

Richard S. Anderson
RICHARD S. ANDERSON MANAGER

* Revocation of Certificate.—"A certificate of consent to self-insure may be revoked by the Director of Industrial Relations at any time for good cause after a hearing. Good cause includes, among other things, the impairment of the solvency of such employer, the inability of the employer to fulfill his obligations, or the practice by such employer or his agent in charge of the administration of obligations under this division of any of the following: (a) Habitually and as a matter of practice and custom inducing claimants for compensation to accept less than the compensation due or making it necessary for them to resort to proceedings against the employer to secure the compensation due; (b) Discharging his compensation obligations in a dishonest manner; (c) Discharging his compensation obligations in such a manner as to cause injury to the public or those dealing with him." (Section 3702 of Labor Code.) The Certificate may be revoked for noncompliance with Title 8, California Administrative Code, Group 2—Administration of Self-Insurance.

Supersedes Certificate No. 0054, issued to THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY on January 4, 1918.

- 5) If Contractor's workers' compensation insurance coverage is due to expire before completion of the work, Contractor will renew or replace such insurance coverage and provide the Department of Correction with a certificate of insurance coverage showing compliance with this section.

5. STATEMENT OF BIDDER'S QUALIFICATIONS

The party by whom this proposal is submitted and by whom the contract will be entered into in case the award is made to him/her is: Pacific Bell, "a corporation," doing business at 2 North Second, Room 650, San Jose, CA 95113, which address is the address to which all communications concerned with this proposal and the contract should be sent to.

The names of the president, treasurer and manager of the bidding corporation, and the names and residences of all persons and parties interested in this proposal as partners or principals are as follows:

<u>Name</u>	<u>Address</u>
P.J. Quigley, President	140 New Montgomery, San Francisco, CA 94102
L.L. Christiansen, Treasurer	140 New Montgomery, San Francisco, CA 94102
M.L. Shockley, General Manager	39 Beta Ct., San Ramon, CA 94583
T.R. Weber, Sales Director	39 Beta Ct., San Ramon, CA 94583
W.R. Mulgrew, Sales Manager	25801 Huntwood, Hayward, CA 94549
K.C. Shelly, Account Executive	2 North Second, Room 650, San Jose, CA 95113

Parent Company: Pacific Telesis, formerly Pacific Telephone and Telegraph.

Date the Parent Company was founded: December 31, 1906

Number of years in business: 86

2. Contracts on hand that are of the type bid:

<u>ITEM</u>	<u>PURCHASER</u>	<u>AMOUNT OF YOUR CONTRACT</u>	<u>PERCENT COMPLETED</u>
Inmate Telephone System	35 counties in California (A complete list is found in answer A-5.)	Varies. At this time this information is proprietary.	100%

3. General type of product sold or manufactured by bidder.

Pacific Bell Public Communications does not sell or manufacture its products. We provide the telephones and control units required to operate an inmate telephone system.

4. There has been no default in any contract completed or uncompleted except as noted below:

A. Number of contracts on which default was made: None.

B. Description of defaulted contracts and reasons therefore: None.

5. State your ability to provide adequate customer service for hardware and software in the San Jose area.

Pacific Bell's Public Communications Department has over 400 employees located in the 7 Bay Area counties. Eight of these are service technicians located on Montgomery Street in San Jose. These eight service technicians will install and maintain all hardware and software required to operate phones for our Public Communications customers. To further assist you and to ensure excellent customer service, Pacific Bell will continue to dedicate one technician to your Elmwood facility (see question #2 of our bid for a complete description of how this will work).

6. Include a copy of the most recent financial statement or annual report for your firm in the proposal package. This financial statement must be certified by a CPA. Proprietary information must be segregated and clearly identified.

Attached is a copy of our financial report (Attachment A1) from our 1991 Annual Report and our 1991 Securities and Exchange Commission 10K Report (Attachment A2).

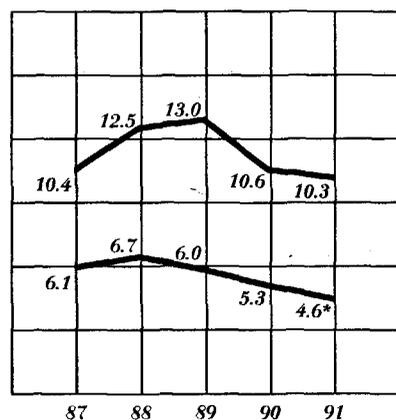
ATTACHMENT A1

Financial Highlights

Pacific Telesis Group and Subsidiaries

(Dollars in millions, except per share amounts)	1987	1988	1989	1990	1991	Five-Year Compound Annual Growth
Operating revenues	\$ 9,156	\$ 9,483	\$ 9,593	\$ 9,716	\$ 9,895	1.9%
Operating income before depreciation and amortization	\$ 3,845	\$ 4,338	\$ 4,363	\$ 4,142	\$ 3,982	(0.2)%
Operating income	\$ 2,112	\$ 2,493	\$ 2,521	\$ 2,227	\$ 2,114	(3.2)%
Net income	\$ 950	\$ 1,188	\$ 1,242	\$ 1,030	\$ 1,015	(1.2)%
Earnings per share	\$ 2.21	\$ 2.81	\$ 3.02	\$ 2.59	\$ 2.58	0.6%
Dividends per share	\$ 1.64	\$ 1.76	\$ 1.88	\$ 2.02	\$ 2.14	7.1%
Book value per share	\$ 18.47	\$ 19.30	\$ 18.93	\$ 18.53	\$ 19.27	1.4%
Return on shareowners' equity	11.9%	14.7%	15.4%	13.7%	13.2%	(1.4)%
Debt ratio	43.5%	41.2%	41.3%	46.2%	45.2%	0.9%
Total assets	\$21,508	\$21,408	\$21,289	\$21,581	\$21,838	1.2%
Long-term obligations	\$ 5,470	\$ 5,475	\$ 5,325	\$ 5,611	\$ 5,504	(0.3)%
Shareowners' equity	\$ 7,890	\$ 8,085	\$ 7,888	\$ 7,401	\$ 7,729	(0.1)%
Capital expenditures	\$ 2,193	\$ 1,590	\$ 1,896	\$ 2,059	\$ 2,207	0.3%
Cash from operating activities	\$ 2,728	\$ 3,033	\$ 3,036	\$ 2,760	\$ 2,659	(4.2)%
Employees at December 31	71,877	69,696	68,452	65,829	62,236	(3.6)%

Profit Margin

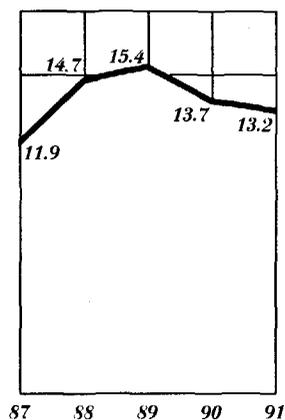


(percent)

- Pacific Telesis Group
- S&P 500

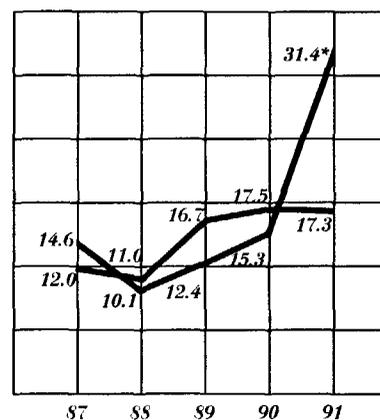
*Through September 30, 1991

Return on Shareowners' Equity



(percent)

Price/Earnings Ratio

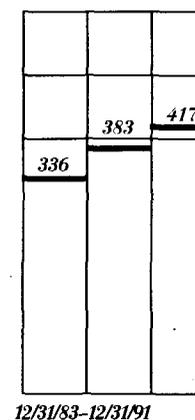


December 31 stock price divided by earnings per share for the year

- Pacific Telesis Group
- Dow Jones Industrial Average

*Based on reported earnings for the four quarters ended September 30, 1991

Investment Performance



(dollars)

Value at 12/31/91 of \$100 invested on 12/31/83 (original investment, stock price appreciation, and dividends)

- S&P 500
- Other RHCs' Average
- Pacific Telesis Group

ATTACHMENT A2

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 1991

or

() TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-8609

PACIFIC TELESIS GROUP

A Nevada Corporation

I.R.S. Employer Number 94-2919931

130 Kearny Street, San Francisco, California 94108

Telephone - Area Code (415) 394-3000

Securities registered pursuant to Section 12(b) of the Act:

(Title of Each Class)	(Name of Each Exchange on which Registered)
Common Stock, \$.10 Par Value	New York Stock Exchange
with	Pacific Stock Exchange
Preferred Stock Purchase Rights	Midwest Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Based on composite closing sales price on February 28, 1992, the aggregate market value of all voting stock held by nonaffiliates was \$16,211,580,959.

At February 28, 1992, 401,656,040 common shares were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Pacific Telesis Group's 1992 Proxy Statement, including Pacific Telesis Group's 1991 Consolidated Financial Statements, are incorporated by reference in Parts I, II and III hereof.

10. **ALTERATION OR VARIATION OF TERMS:** It is mutually understood and agreed that no alteration or variation of the terms of this bid or PO shall be valid unless made or confirmed in writing and signed by the parties hereto.
11. **COMPLIANCE WITH STATUTE:** Vendor hereby warrants that all applicable Federal and State statutes and regulations or local ordinances will be complied with in connection with the sale and delivery of the property furnished.
12. **WARRANTY:** (a) Vendor warrants to County and/or County's customer that the goods and/or services covered by this order will conform to the drawings, specifications, and description and time provisions furnished by County and will be of first class material and workmanship and free from defects, and County reserves the right to cancel the unfilled portion of an order without liability to Vendor if the warranty is breached. Goods will be received subject to inspection and acceptance at destination by County, and risk of loss before acceptance shall be on Vendor. Defective goods rejected by County may without prejudice to any other legal remedy be held at Vendor's risk and returned to Vendor at Vendor's expense. Defects are not waived by acceptance of goods or by failure to notify Vendor thereof.
- (b) Unless otherwise agreed in writing by the parties, all implied and express warranties pursuant to the California Commercial Code, sections 2312-2317, shall apply to the goods covered by this bid or PO. Furthermore, warranties shall run for a minimum of twelve months after installation and acceptance and claims for damages may include direct damages, as cost to repair, as well as incidental and consequential damages.
13. **PATENT INDEMNITY:** The Vendor shall hold the County of Santa Clara, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the contract or PO.
14. **LIENS, CLAIMS, AND ENCUMBRANCES:** Vendor warrants and represents that all the goods and materials ordered herein are free and clear of all liens, claims or encumbrances of any kind.
15. **HOLD HARMLESS:** The Vendor agrees to indemnify and save harmless the County, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Vendor in the performance of this contract. The Vendor shall provide necessary worker's compensation insurance at Vendor's own cost and expense.
16. **INDEPENDENT CONTRACTORS:** The parties hereto agree that the Vendor, and any agents and employees of Vendor, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of Santa Clara County.
17. **RIGHTS AND REMEDIES OF COUNTY FOR DEFAULT:** (a) The County may terminate this agreement and be relieved of the payment of any consideration to Vendor should Vendor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination the County may proceed with the work in any manner deemed proper by the County. The cost to the County shall be deducted from any sum due the Vendor under this agreement, and the balance, if any, shall be paid by Vendor upon demand.
- (b) In the event any item furnished by the Vendor in the performance of the contract or purchase order should fail to conform to the specifications therefor, or to the sample submitted by the Vendor with his bid, the County may reject the same, and it shall thereupon become the duty of the Vendor to reclaim and remove the same forthwith, without expense to the County and immediately to replace all such rejected items with others conforming to such specifications or samples; provided that should the Vendor fail, neglect, or refuse to do so the County shall thereupon have the right to purchase in the open market, in lieu thereof, a corresponding quantity of any such items and to deduct from any moneys due or that may thereafter become due to the Vendor the difference between the prices named in the contract or purchase order and the actual cost thereof to the County. In the event the Vendor shall fail to make prompt delivery as specified of any item, the same conditions as to the rights of the County to purchase in the open market and to reimbursement set forth above shall apply, except when delivery is delayed by fire, strike, freight embargo, or Act of God or the government.
- (c) Cost of inspection of deliveries or offers for delivery, which do not meet specifications, will be for the account of the Vendor.
- (d) The rights and remedies of the County provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.
18. **SAFETY AND HEALTH STANDARDS:** Vendor agrees to comply with the applicable provisions of the California Occupational Safety and Health Act of 1973. (Labor Code Section 6300 et. seq.) and the standards and regulations issued thereunder. Seller agrees to indemnify and hold harmless the County for any loss, damage, fine, penalty, or any expense whatsoever as a result of Seller's failure to comply with the act and any standards or regulations issued thereunder.
19. **NONDISCRIMINATION AND AFFIRMATIVE ACTION:** (a) California Government Code Section 12940 provides that it shall be an unlawful employment practice, unless based upon a bona fide occupational qualification, or except where based upon applicable security regulations established by the United States or the State of California, for an employer, because of the race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex of any person to refuse to hire or employ the person or to refuse to select the person for a training program leading to employment, or to bar or to discharge such person from employment or from training program leading to employment, or to discriminate against such person in compensation or in terms, conditions or privileges of employment.
- (b) Even if not legally bound by said Government Code Section 12940, Vendor agrees to comply therewith.
- (c) Violation of this provision shall be deemed a material default by Vendor giving County a right to terminate the Purchase Order.
- (d) Minority Business Enterprises shall be given the opportunity to bid and to receive awards on the same basis as any other vendor.
20. **EQUIPMENT RENTAL TERMINATION:** In the event that funds are not appropriated in any fiscal year for the payment of rental or lease/purchase charges and are not appropriated for the cost of other equipment performing substantially the same function which would replace the equipment leased hereunder, then lessee may terminate the contract without penalty on or before September 30th of such fiscal year by giving thirty (30) days written notice. Lessee agrees to make every reasonable effort including, but not limited to, requesting budget funds to be appropriated in order to avoid cancellation or termination of the rental or lease/purchase. Upon termination of this lease, lessor shall have the right to recover any and all amounts then due or which may have accrued up to the date lessor receives possession of the unit.
21. **PAYMENT OF PREVAILING WAGES:** Except for projects of \$1000 or less, vendors who perform carpet laying or building construction, alteration, demolition or repair must pay all workers on the County project the prevailing wage pursuant to the California Labor Code, sections 1770 through 1777.7. A copy of the prevailing wage rate determination is on file and may be seen at the office of the Clerk of the Board. The determination is issued by the California Department of Industrial Relations.
22. **ASSIGNMENT:** The Vendor shall not assign, transfer, convey, sublet, or otherwise dispose of this contract or his right, title, or interest in or to the same, or any part thereof without written consent of the County Purchasing Agent. Any attempt to do any of the foregoing without written consent shall be void. This contract shall extend to and be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties thereto.

Attachment I

Cancellation Clause: If either party is in material breach of any of its obligations under this agreement and such breach continues for 30 calendar days, after written notice there of by the non breaching party, such non breaching party may cancel this agreement.

" ATTACHMENT II "

SECTION 01501 - SECURITY CLEARANCE

SECURITY CLEARANCE AND GENERAL REQUIREMENTS FOR CONTRACTORS AT SANTA CLARA COUNTY DEPARTMENT OF CORRECTION FACILITIES (APPLIES TO ALL CONTRACTORS AND THEIR EMPLOYEES)

1. Contractors must submit a list of personnel who will be working in the facility to the designated custody representative at least two weeks in advance of entry to allow time for a security check to be completed. In exigent circumstances exceptions will be dealt with on a case by case basis.
2. All personnel desiring entry clearance must complete a clearance request form which includes their full name, date of birth, California driver's license number, and physical description.
3. No one under age 18 will be admitted into any security area without prior authorization from the division or assistant division commander.
4. Persons with a prior felony conviction or charge in progress may be denied access to the facilities. The division administration shall review those histories for final determination.
5. The facility division commander or designee shall approve, limit or deny all security clearance requests.
6. All requests will be checked for outstanding warrants. Any found may result in the arrest of that person when entering.
7. Bringing firearms, explosives, alcoholic beverages or drugs will not be allowed to enter any custody facility and may be subject to arrest.
8. Persons under the influence of alcoholic beverages or drugs will not be allowed to enter any custody facility and may be subject to arrest.
9. Umbrellas, pocket knives, scissors, metal nail files, or other objects that could be used as weapons are not allowed within any facility area (other than job tools related to the function being undertaken).
10. Persons entering any custody facility shall not give anything to any inmate, nor will they take anything from any inmate without prior approval from a custody staff supervisor.
11. Department of Correction Facilities are no smoking areas. Workers are requested not to bring any tobacco products into any facility. No smoking is permitted

within any building or within the perimeter fence boundaries.

12. Persons entering any custody facility shall not loan, exchange, borrow, do favors for, or enter into any business transactions with any inmate. Do not communicate with any inmate.
13. Contractors and their employees will proceed directly to their designated work areas. Those found loitering in any unauthorized area may be escorted from the facility and may have their security clearance revoked.
14. **No Hostage Policy:** For everyone's safety, we will not allow any inmate to escape in exchange for the release of a hostage. All means will be utilized to effect a safe release, except giving hostage takers weapons, additional hostages, or allowing them to escape.
15. Facility security is our first priority. Security concerns must take precedence over work completion efficiency if that security is threatened.
16. Custody staff is responsible for the security of the facility. If directed by a staff member to take any action (leave area, secure tools, wait, etc.) all workers are required to comply immediately without argument, non-compliance may result in revocation of their security clearance.
17. Tools must be inventoried prior to entry and again at completion of each day. Bring in only the tools you require to accomplish the task. It is essential that planning includes anticipation of needs to avoid unnecessary trips in and out of the facility. Tools must be removed after each work day to a secured area.
18. Extreme care must be exercised to avoid leaving any materials in security areas that can be used as weapon by inmates. Work areas must be cleaned after every work session to avoid contraband security breaches.
19. It must be understood that custody staff has no authority to alert contract documents nor contracted work.

All contractors and their employees are required to read these rules and acknowledge by signing a log to be maintained by the facility administration.

ATTACHMENT III

County of Santa Clara

6. NON-COLLUSION DECLARATION TO BE EXECUTED BY BIDDER AND
SUBMITTED WITH BID

I, Kathy Cutter-Shelly, am the Account Executive of Pacific Bell, the party making the foregoing bid declare that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid; and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct:

9/25/92
(Date)

Kathy Shelly Account Executive
(Signature)
Pacific Bell

ATTACHMENT IV

County of Santa Clara

7. DISADVANTAGED BUSINESS ENTERPRISE
INCLUDING
MINORITY AND WOMEN-OWNED BUSINESS

I. DEFINITION:

A DISADVANTAGED BUSINESS ENTERPRISE (DBE) IS AN INDIVIDUAL PROVIDING GOODS OR SERVICES TO THE COUNTY THAT FALLS INTO ONE OR MORE OF THE AREAS LISTED IN CATEGORY III BELOW, OR A FIRM (COMPANY) THAT IS AT LEAST 51% OWNED AND CONTROLLED BY ONE OR MORE SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS. THIS INCLUDES WOMEN, BLACK AMERICANS, HISPANIC AMERICANS, NATIVE AMERICANS, ASIAN-PACIFIC AMERICANS, ASIAN-INDIAN AMERICANS AND FILIPINO AMERICANS.

II. DO YOU AS AN INDIVIDUAL OR DOES YOUR COMPANY QUALIFY?

1. ARE YOU AN INDIVIDUAL WHO QUALIFIES AS ONE OF THE ABOVE? NO.

If your answer is YES, please check the qualifying category in item III below.

2. DOES YOUR COMPANY QUALIFY BEING 51% OWNED AND CONTROLLED BY ONE OR MORE OF THE ABOVE? NO.

If your is YES, please check the qualifying category in item III below.

III. CATEGORY:

1. Women
2. Black Americans, which includes persons having origins in any of the Black racial groups of Africa.
3. Hispanic Americans, which includes persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish or Portuguese culture or origin, regardless of race.
4. Native Americans, which includes persons who are American Indians, Eskimos, Aleuts or Native Hawaiians.