



Pacific Telemanagement Services

13 Gristmill Drive
Stafford, VA 22554

Phone: 540-720-9730
Fax: 540-720-9735
Mobile: 703.407.5878
kurtg@jaroth-pts.com

Kurt E. Gibbs
Vice President – Sales, Eastern Region

January 30, 2010

Re: State of West Virginia RFQ PPHONE10

Jo Ann Adkins
State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street, East
Charleston, WV 25305

Dear Ms. Adkins,

In response to the State of West Virginia RFQ PPHONE10, Jaroth Inc. d/b/a Pacific Telemanagement Services (PTS) is very excited about the opportunity to provide payphone services to the State of West Virginia. PTS has read and agrees to all terms and conditions as outlined in the Request for Quote (RFQ). Further, I can legally bind PTS to this proposal. Please find above my complete contact information.

PTS was incorporated in the State of California in July of 1986. Today the corporate headquarters is located at 2175 N. California Blvd. Suite 400, Walnut Creek, California 94596. PTS operates 55 thousand payphones nationwide and is the largest private payphone provide in the United States. I am the Vice President of Sales for the Eastern Region and my office is located in Stafford, Virginia. I have 31 years experience in the industry.

Our proposal allows the State to request payphone service at any location and keep that service for a period determined by the State. All Gross revenue is credited toward a monthly maintenance fee of \$85 per month, per payphone. Once the per phone \$85 maintenance fee is satisfied, PTS will pay to the State a 25% commission on the portion of the revenue that exceeds the fee threshold. We feel this commission plan provides the State the best solution for payphone services for the following reasons:

1. The State determines the levels of payphones they require and where they are located
2. Phones that produce higher revenue earn a 25% commission and can offset the payphones required by the State that do not meet the revenue threshold
3. The State can have a "one for one" transition from their current vendor to PTS if required
4. PTS will not remove any payphone unless requested by the State

PTS currently has similar arrangements with the States' of Illinois and California. Both of these States were acquired through a competitive process awarded to PTS. References for these accounts are available upon request.

Thank you for the opportunity to respond to this RFQ. We look forward to hearing from you with regards to our proposal.

Sincerely,

Kurt E. Gibbs

RECEIVED

2010 FEB -2 A 9:53

PURCHASING DIVISION
STATE OF WV



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

**Request for
 Quotation**

RFQ NUMBER
PPH0NE10

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
JO ANN ADKINS 304-558-8802

RFQ COPY
 TYPE NAME/ADDRESS HERE

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
12/05/2009				

BID OPENING DATE: 12/30/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
REQUEST FOR QUOTATION						
THE PURCHASING DIVISION IS SOLICITING QUOTATIONS FOR A BLANKET OPEN-END STATEWIDE CONTRACT TO PROVIDE PAY TELEPHONE SERVICES TO STATE AGENCIES WITH OFFICES LOCATED THROUGHTOUT THE STATE. ***** INQUIRIES ***** WRITTEN QUESTIONS SHALL BE ACCEPTED THROUGH CLOSE OF BUSINESS ON THURSDAY, DECEMBER 17, 2009. QUESTIONS MAY BE SENT VIA USPS, FAX, COURIER AND EMAIL. IN ORDER TO ASSURE NO VENDOR RECEIVES AN UNFAIR ADVANTAGE, NO SUBSTANTIVE QUESTIONS WILL BE ANSWERED ORALLY. IF POSSIBLE, E-MAIL QUESTIONS ARE PREFERRED. ADDRESS INQUIRIES TO: JO ANN ADKINS DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305						
0001	1	EA		725-53		
PAY PHONE SERVICES SCHEDULE B COMMISSION STRUCTURE						
EXHIBIT 3						
LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE						

SIGNATURE <i>John E. DeLo</i>		TELEPHONE 540-720-9730	DATE January 30, 2010
TITLE Vice President of Sales	FEIN 94 3017874	ADDRESS CHANGES TO BE NOTED ABOVE	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
PPHONE10

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ADDRESS CORRESPONDENCE TO ATTENTION OF
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ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
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 BY ORDER

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
12/05/2009				

BID OPENING DATE: 12/30/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Mark C. DeLoe</i>	TELEPHONE (540) 720-9730	DATE January 30, 2010
TITLE Vice President of Sales	FEIN 94 3017874	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
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 Post Office Box 50130
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ADDRESS CORRESPONDENCE TO ATTENTION OF
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ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B	FREIGHT TERMS
12/05/2009				

BID OPENING DATE: 12/30/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT WITHOUT FURTHER ORDER.</p> <p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>REV. 05/26/2009</p> <p>PURCHASING CARD ACCEPTANCE: THE STATE OF WEST VIRGINIA CURRENTLY UTILIZES A VISA PURCHASING CARD PROGRAM WHICH IS ISSUED THROUGH A BANK. THE SUCCESSFUL VENDOR MUST ACCEPT THE STATE OF WEST VIRGINIA VISA PURCHASING CARD FOR PAYMENT OF ALL ORDERS PLACED BY ANY STATE AGENCY AS A CONDITION OF AWARD.</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS		
SIGNATURE <i>[Signature]</i>	TELEPHONE (540) 720-9730	DATE January 30, 2010
TITLE Vice President of Sales	FEIN 94 3017874	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

**Request for
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RFQ NUMBER
PPHONE10

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ADDRESS CORRESPONDENCE TO ATTENTION OF
JO ANN ADKINS 304-558-8802

RFQ COPY
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VENDOR

SHIP TO

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
12/23/2009				

BID OPENING DATE: 01/07/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** ADDENDUM NO. 1 ***** 1. BID OPENING DATE HAS BEEN MOVED TO 01/07/2010. 2. PPHONE10 QUESTIONS AND ANSWERS - ATTACHED. 3. EXHIBIT 10 - ADDENDUM ACKNOWLEDGEMENT IS ATTACHED AND SHOULD BE SIGNED AND RETURNED WITH BID. ***** END OF ADDENDUM NO. 1 *****						
0001	1	EA		725-53		
PAY PHONE SERVICES SCHEDULE B COMMISSION STRUCTURE						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS			
SIGNATURE	TELEPHONE	DATE	
<i>[Signature]</i>	(540) 720-9730	January 30, 2010	
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE	
Vice President of Sales	94 3017874		

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFO NUMBER
PPHONE10

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ADDRESS CORRESPONDENCE TO ATTENTION OF
JO ANN ADKINS
804-558-8802

SUPERVISOR

RFQ COPY
 TYPE NAME/ADDRESS HERE

SHIP TO

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/04/2010				

BID OPENING DATE: 01/21/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
***** ADDENDUM NO. 2 ***** 1. BID OPENING DATE HAS BEEN EXTENDED TO 01/21/10. ***** END OF ADDENDUM NO. 2 *****						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS		
SIGNATURE 	TELEPHONE (540) 720-9730	DATE January 30, 2010
TITLE Vice President of Sales	FEIN 94 3017874	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
PPHONE10

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ADDRESS CORRESPONDENCE TO ATTENTION OF
JO ANN ADKINS 804-558-8802

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VENDOR

|||||
 Kurt E. Gibbs
 Vice President - Sales, Eastern Region
 Pacific Telemanagement Services
 13 Gristmill Drive
 Stafford, VA 22554

SHIP TO

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/08/2010				

BID OPENING DATE: 02/04/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** ADDENDUM NO. 3 *****						
1. BID OPENING DATE HAS BEEN MOVED TO 02/04/2010.						
2. PPHONE10 QUESTIONS AND ANSWERS ATTACHED.						
3. PPHONE10 ATTACHMENT A - REVISED 01/07/10, ATTACHED. PPHONE10 ATTACHMENT B - ATTACHED.						
4. NO ADDITIONAL QUESTIONS WILL BE ACCEPTED OR RESPONDED TO.						
***** END OF ADDENDUM NO. 3 *****						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE (540) 720-9730	DATE January 30, 2010
TITLE Vice President of Sales	FEIN 94 3017874	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

EXHIBIT 10

REQUISITION NO.: PPHONE10

ADDENDUM ACKNOWLEDGEMENT

I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.

ADDENDUM NO.'S:

NO. 1

NO. 2

NO. 3

NO. 4

NO. 5

I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS. VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.



SIGNATURE

Jaroth, Inc. d/b/a Pacific Telemanagement Services
COMPANY

January 30, 2010
DATE



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

**Request for
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PPHONE10

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ADDRESS CORRESPONDENCE TO ATTENTION OF
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VENDOR

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B	FREIGHT TERMS
12/05/2009				

BID OPENING DATE: 12/30/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED: SEALED BID BUYER: FILE 42 RFQ. NO.: PPHONE10 BID OPENING DATE: 12/30/2009 BID OPENING TIME: 1:30 PM PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID: (540) 720-9735 ----- CONTACT PERSON (PLEASE PRINT CLEARLY): Kurt E. Gibbs ----- ***** THIS IS THE END OF RFQ PPHONE10 ***** TOTAL: _____						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
<i>Kurt E. Gibbs</i>	(540) 720-9730	January 30, 2010

TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE
Vice President of Sales	94 3017874	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**RFQ
OPEN-END CONTRACT
PAYPHONES**

The purpose of the RFQ is to solicit proposals for providing pay telephone services to State agencies with offices located throughout the State. As a minimum, the bidder shall provide an industry-standard pay telephone and three basic types of enclosures, i.e., wood shelf, panel recessed, and outdoor booth with pedestal. Attachment A shows a chart of the current installations.

Payphones provide telephone service to users who do not or would not otherwise have access to land lines or wireless phones. This would include State institutions, such as correctional facilities and mental health centers, where direct telephone extension lines and wireless phone are not permitted. These payphones are also installed in State parks. In some instances, security enhancement decisions have influenced the placement of payphone installations. Additionally, they allow any user the means to call emergency numbers, such as 911, if needed.

Also known as a "paystation" and typically located in a public area, pay telephones allow users to complete calls by depositing coins to cover the call cost. Some pay phones are coin less and capable reading credit and calling cards for completion and payment of calls.

This contract is available to all state agencies, boards, commissions, universities, offices of the WV House and Senate, and Constitutional Officers.

All equipment provided will be ADA Compliant. The Vendor must have the capability to install a TDD device if requested by the State agency.

Vendor will insure clear audio quality.

Vendor must provide ordering services during regular business hours, Monday through Friday, 8 a.m. to 5 p.m.

Vendor will provide price quotations and low-cost alternatives, clarify order information, monitor order status, and update billing information. They will also help with the analysis and development of the appropriate product and service mix to fulfill specific short and long term customer needs.

Vendor shall be solely liable and responsible for the costs and expenses of purchase, installation, repair maintenance and rental of telephone lines for the payphones installed on State property.

The Vendor shall charge a uniform monthly Lease rate for each payphone regardless of location.

The Vendor may provide to the State commissions based on gross billed revenue generated by the pay telephone usage. The bidder should identify the level of usage required for the Vendor to pay commissions and what percentage would be paid. If applicable, the commissions shall be paid monthly directly to the agencies who have pay telephones at their locations.

The Vendor may provide the equipment and service at no charge to the State based on the revenue generated by the pay telephone usage. The bidder should identify the level of usage required for the Vendor to provide the equipment and service free of charge.

The State will provide a suitable location on the property for the payphones and equipment which shall be readily accessible and clearly visible to customers. the payphones.

The State will allow the display of all signs and instructions as affixed to the equipment by the Vendor and shall not affix or permit a third party to affix any other signs or instructions to the equipment.

As a minimum, the Vendor shall allow callers to place the following types of calls coin-free and free of charge:

- 911
- "0" for live emergency operator assistance
- Requests for repairs, refunds, rate quotes
- 1-800, 1-8XX
- Calls to the Telecommunication Relay Service Center for the hearing impaired

The Vendor shall allow callers to place the following types of calls for a fee:

- Local – Coin Deposited/Sent Paid
- Local – Charged to Calling Card
- Local – Billed Collect or Third Party
- Intrastate IntraLATA – Coin Deposited/Sent Paid
- Intrastate IntraLATA – Charged to Calling Card
- Intrastate IntraLATA – Billed Collect or Third Party
- Intrastate-InterLATA – Coin Deposited/Sent Paid
- Intrastate-InterLATA – Charged to Calling Card
- Intrastate-InterLATA – Billed Collect or Third Party
- Interstate– Coin Deposited/Sent Paid
- Interstate– Charged to Calling Card
- Interstate– Billed Collect or Third Party
- Directory Assistance – Coin Deposited/Sent Paid

- Directory Assistance – Charged to Calling Card
- Directory Assistance – Billed Collect or Third Party

The State desires that the Vendor support completion of International calls. The Vendor should describe the types of International calls supported.

Vendor Response: Jaroth, Inc. d/b/a Pacific Telemanagement Services (PTS) has read, understands, and will comply with these requirements.



Vice President of Sales

January 30, 2010
Date

COST SHEET

	Estimated Usage	Initial Conversion	Subsequent Installation	Monthly Charge
Service & Equipment:				
Access Line	120	\$0.00	\$0.00	\$0.00
Payphone	120	\$100.00*	\$150.00*	\$85.00**
Enclosures:				
Wood Shelf	40	\$***	\$***	\$ Not applicable (NA)
Panel Recessed Stainless Steel	40	\$***	\$***	\$NA
Outdoor Booth with Pedestal	40	\$***	\$***	\$NA

* PTS charges \$250 per payphone/enclosure transitioned from incumbent provider. See attached Term Sheet.

** PTS charges an \$85 maintenance fee per payphone installed. See attached Term Sheet.

*** Included in the \$250 Initial Conversion and Subsequent per payphone charges.

PLEASE NOTE, ALL CHARGES QUOTED ARE PER PAYPHONE.

Commissions:

If applicable, the Vendor must describe the level of usage required in order for the Vendor to pay Commissions to the using agency based on gross billed revenue. Also, the Vendor must state the percentage of commission payable. We have provided the chart below to assist with the Commissions.

If the average revenue per phone is at least...	but not more than...	the commission rate is: mo to mo	the commission rate is: 12 mo term	the commission rate is: 24 mo term	the commission rate is 36 mo term
\$0.00	\$125 \$85.00	0%	0%	0%	0%
\$125.01 \$85.01	\$150 Infinite	25%****	25%****	25%****	25%****
\$150.01	\$175				
\$175.01	\$200				
\$200.01	\$250				
\$250.01	Infinite				

**** PTS pays a 25% commission on the portion of the revenue above \$85.01. See attached Term Sheet.

Regulated Charges:

Description	Application	Charge (\$,%)	Unit
NA	NA	NA	NA

**PPHONE 10
Attachment A**

PAY TELEPHONES CURRENTLY INSTALLED STATEWIDE

DEPARTMENT	DIVISION	FACILITY	LOCATION	# OF PHONES	# OF TDD
Military Affairs & Public Safety	Division of Corrections	Charleston Work Release Center	Charleston, WV	6	0
Military Affairs & Public Safety	Division of Corrections	Beckley Work Release Center	Beckley, WV	5	0
Military Affairs & Public Safety	Division of Corrections	Huntington Work Release Center	Huntington, WV	5	0
Military Affairs & Public Safety	Regional Jails	Central Regional Jail	Suflon, WV	19*	0
Military Affairs & Public Safety	Regional Jails	Eastern Regional Jail	Martinsburg, WV	26	1
Military Affairs & Public Safety	Regional Jails	South Central Regional Jail	Charleston, WV	28	0
Military Affairs & Public Safety	Regional Jails	Southern Regional Jail	Beaver, WV	27	1
Military Affairs & Public Safety	Regional Jails	Northern Regional Jail	Moundsville, WV	19	1
Military Affairs & Public Safety	Regional Jails	Southwestern Regional Jail	Holden, WV	27	0
Military Affairs & Public Safety	Regional Jails	Potomac Highlands Regional Jail	Augusta, WV	19	1
Military Affairs & Public Safety	Regional Jails	North Central Regional Jail	Greenwood, WV	35	0
Military Affairs & Public Safety	Regional Jails	Western Regional Jail	Barboursville, WV	35	1
Military Affairs & Public Safety	Regional Jails	Tygart Valley Regional Jail	Bellington, WV	27	1
Military Affairs & Public Safety	Veterans Affairs	Veterans Home	Barboursville, WV	?	?
Department of Commerce	Division of Natural Resources	Babcock State Park	Clifftop, WV	1	0
Department of Commerce	Division of Natural Resources	Tygart Lake State Park	Grafton, WV	3	0
Department of Commerce	Division of Natural Resources	Twin Falls State Park	Mullens, WV	1	0
Department of Commerce	Division of Natural Resources	Kanawha State Park	Charleston, WV	1	0
Department of Commerce	Division of Natural Resources	Cedar Creek State Park	Glenville, WV	1	0
Department of Commerce	Division of Natural Resources	Pipestem Resort State Park	Pipestem, WV	1	0
Department of Commerce	Division of Natural Resources	Bluestone State Park	Hinton, WV	1	0
Department of Commerce	Division of Natural Resources	Greenbrier State Forest	Caldwell, WV	1	0
Department of Commerce	Division of Natural Resources	Tomlinson Run State Park	New Manchester, WV	2	0
Department of Commerce	Division of Natural Resources	Coopers Rock State Park	Bruceon Mills, WV	1	0
Department of Commerce	Division of Natural Resources	Audra State Park	Buckhannon, WV	1	0
Department of Commerce	Division of Natural Resources	Walters Smith State Park	Lost Creek, WV	1	0
Department of Commerce	Division of Natural Resources	Valley Falls State Park	Fairmont, WV	1	0
Department of Commerce	Division of Natural Resources	Chief Logan State Park	Logan, WV	1	0

Department of Commerce	Division of Natural Resources	Little Beaver State Park	Beaver, WV	1	0
Department of Commerce	Division of Natural Resources	Moncove Lake State Park	Gap Mills, WV	1	0
Department of Commerce	Division of Natural Resources	Panther WMA	Panther, WV	2	0
Department of Commerce	Division of Natural Resources	Beech Fork State Park	Barboursville, WV	4	0
Department of Commerce	Division of Natural Resources	Cass Scenic Railroad	Cass, WV	1	0
Department of Commerce	Division of Natural Resources	Seneca State Park	Dunmore, WV	1	0
Department of Commerce	Division of Natural Resources	Watoga State Park	Marlinton, WV	3	0
Department of Commerce	Division of Natural Resources	North Bend State Park	Cairo, WV	3	0
Department of Commerce	Division of Natural Resources	Lost River	Mathias, WV	1	0
Department of Commerce	Division of Natural Resources	Blackwater Falls	Davis, WV	3	0
Department of Health & Human Resources	Division of Health	Welch Hospital	Welch, WV	3	3

State of West Virginia
VENDOR PREFERENCE CERTIFICATE

Certification and application* is hereby made for Preference in accordance with *West Virginia Code*, §5A-3-37. (Does not apply to construction contracts). *West Virginia Code*, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the *West Virginia Code*. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

- 1. **Application is made for 2.5% resident vendor preference for the reason checked:**
 NA Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
 NA Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
 NA Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
- 2. **Application is made for 2.5% resident vendor preference for the reason checked:**
 NA Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
- 3. **Application is made for 2.5% resident vendor preference for the reason checked:**
 NA Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
- 4. **Application is made for 5% resident vendor preference for the reason checked:**
 NA Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
- 5. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 NA Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
- 6. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 NA Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Jaroth, Inc. d/b/a Pacific Telemanagement Services
Bidder: _____ Signed: 

Date: January 30, 2010 Title: Vice President of Sales

*Check any combination of preference consideration(s) indicated above, which you are entitled to receive.

**Pay Telephone Term Sheet
For
State of West Virginia
Department of Administration
Purchasing Division**

Date: January 30, 2010
Term: One (1) Year plus any renewal periods
Phones: Client can determine the number of phones required per site
Commission / Fee: Please see second page of the Term Sheet

We would like to thank you for this opportunity. This Term Sheet is a summary of terms outlining the principal points of our formal offer to the State of West Virginia RFQ PPHONE10.



Kurt E. Gibbs
Vice President of Sales
Jaroth, Inc. d/b/a Pacific Telemanagement Services

January 30, 2010

STATE OF WEST VIRGINIA

Labor and equipment costs to convert the payphones from the incumbent provider	\$ 100.00
Labor and equipment costs for the installation of new payphones required by the State of WV/A	\$ 150.00
Labor cost for the relocation of existing payphone equipment	\$ 150.00
Monthly maintenance fee – per payphone	\$ 85.00
Provide new TDD / TTY unit (after the initial conversion from incumbent provider)	\$1600.00

PTS will credit 100% of the Coin and Operator Services (Long Distance) revenues toward any payphone's monthly maintenance fee (\$85). PTS will pay to the State of West Virginia a Twenty-Five (25%) percent commission on the portion of the revenue that exceeds the monthly maintenance fee

A settlement process will occur each month to determine any fees owed to PTS or commissions owed to State of West Virginia. Please see below an example of the settlement process.

January 2010

<u>Payphone</u>	<u>Revenue</u>	<u>Maintenance Fee</u>	<u>Fee</u>	<u>Revenue over \$85</u>	<u>Commission on Rev</u>	<u>Fee Owed</u>	<u>Commission Owed</u>
Phone #1	\$125.00	\$85.00	\$0.00	\$40.00	\$10.00	\$0.00	\$10.00
Phone #2	\$110.37	\$85.00	\$0.00	\$25.37	\$6.34	\$0.00	\$25.37
Phone #3	\$75.22	\$85.00	(\$9.78)	\$0.00	\$0.00	\$9.78	\$0.00

In the example above, State of West Virginia would receive a commission of \$25.59 for January 2010.

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

VENDOR OWING A DEBT TO THE STATE:

West Virginia Code §5A-3-10a provides that: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

PUBLIC IMPROVEMENT CONTRACTS & DRUG-FREE WORKPLACE ACT:

If this is a solicitation for a public improvement construction contract, the vendor, by its signature below, affirms that it has a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code*. The vendor **must** make said affirmation with its bid submission. Further, public improvement construction contract may not be awarded to a vendor who does not have a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code* and who has not submitted that plan to the appropriate contracting authority in timely fashion. For a vendor who is a subcontractor, compliance with Section 5, Article 1D, Chapter 21 of the *West Virginia Code* may take place before their work on the public improvement is begun.

ANTITRUST:

In submitting a bid to any agency for the state of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the state of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the state of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the state of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership or person or entity submitting a bid for the same materials, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

LICENSING:

Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

CONFIDENTIALITY:

The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.

Under penalty of law for false swearing (*West Virginia Code* §61-5-3), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

Vendor's Name: Jaroth, Inc. d/b/a Pacific Telemanagement Services

Authorized Signature: 

Date: January 30, 2010