

31076

DATE: December 13, 2012

TO: Board of Acquisition and Contract

FROM: Kevin Cheverko
Commissioner of Correction

RE: **Authority to amend an agreement with Government Payment Service, Inc. ("GPS") pursuant to which GPS would provide a remote pay system to those individuals who wish to use credit cards for the payment of cash bail and also provide a process whereby GPS will accept monies via telephone or internet for inmates' commissary purchases for a five (5) year term commencing July 25, 2008, at no cost to the County, by substituting the Letter of Credit issued by Chase Manhattan Bank with a new Letter of Credit issued by PNC Bank, effective January 1, 2013**

By resolution approved on September 18, 2008, your Honorable Board authorized the County, acting by and through its Department of Correction, to enter into an agreement with GPS pursuant to which GPS would provide a remote pay system to those individuals who wish to use credit cards for the payment of cash bail and additionally provide a process by which GPS may accept monies via telephone or internet for inmates' commissary purchases, for a five (5) year term commencing July 25, 2008, at no cost to the County (the "Agreement"). The Agreement was subsequently executed.

In order to guarantee payment to the County under the Agreement, GPS applied for and was issued a \$50,000 letter of credit by Chase Manhattan Bank ("Chase") in favor of the County as beneficiary, which was incorporated into the Agreement. GPS would now like to substitute the letter of credit issued by Chase with a new letter of credit to be issued by PNC Bank in the same amount, effective January 1, 2013. The new letter of credit will be irrevocable and will remain in effect through December 31, 2013, well beyond the expiration date of the Agreement.

In order to effectuate this substitution, it will be necessary to amend the Agreement. Accordingly, authority is respectfully requested to amend the Agreement with GPS pursuant to which GPS would provide a remote pay system to those individuals who wish to use credit cards for the payment of cash bail and additionally provide a process by which GPS may accept monies via telephone or internet for inmates' commissary purchases, for a five (5) year term commencing on July 25, 2008, at no cost to the County, by substituting the letter of credit issued

by Chase in the amount of \$50,000 with a new letter of credit to be issued by PNC Bank in the same amount, effective January 1, 2013.

Except as specifically amended hereby, all remaining terms and conditions of the Agreement shall remain in full force and effect.

It should be noted that although PNC Bank is not on the County's official depository list, the Department of Finance has deemed the bank acceptable for purposes of issuing the letter of credit. It should be further noted that as the current letter of credit is due to expire on December 31, 2012, immediate action by your Honorable Board is most respectfully requested.

As this Agreement does not constitute a procurement, the County Procurement Policy is not applicable

The goals and objectives of this agreement are cost savings to the County by allowing the County to release more individuals on bail, thereby reducing the costs associated with housing such individuals until bail is posted. This agreement will be tracked and monitored by the Department of Corrections to evaluate the success or failure of the program by tracking the total number of days an inmate was not incarcerated while awaiting court appearance.

A Resolution for your consideration is annexed hereto. I recommend your favorable consideration of the annexed proposed Resolution.

KC/JPG/mn
Attachment

RESOLUTION

Upon a communication from the Commissioner of Correction, be it hereby

RESOLVED, that the County of Westchester (“County”), acting by and through its Department of Correction (the “Department”), is authorized to amend an agreement with Government Payment Service, Inc. (“GPS”) for the provision of a remote pay system to those individuals who wish to use credit cards for the payment of cash bail and also a process by which GPS may accept monies via telephone or internet for inmates’ commissary purchases for a five (5) year term commencing July 25, 2008, at no cost to the County, by substituting the original letter of credit issued by Chase Manhattan Bank in the amount of \$50,000, with a new letter of credit issued by PNC Bank in the same amount, effective January 1, 2013; and be it further.

RESOLVED, that except as specifically amended hereby, all remaining terms and conditions of the Agreement shall remain in full force and effect; and be it further

RESOLVED, that the County Executive or his authorized designee is authorized and empowered to execute and deliver all instruments and take all actions necessary or appropriate to effectuate the purposes hereof.

Account to be Charged/credited	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars

Budget Funding Year(s) _____ Start Date _____ End Date _____
 (must match resolution)

Funding Source Tax Dollars _____
 State Aid _____
 \$ _____ Federal Aid _____
 (must match resolution) Other _____