

In The Matter Of:

*NYS Department Corrections & Community Supervision
Offender Commissary & Trust Fund Accounting System*

Pre-Bid Conference

April 23, 2014

RFP No. NYSDOCCS 2013-004

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STATE OF NEW YORK
DEPARTMENT OF CORRECTIONS AND
COMMUNITY SUPERVISION

Pre-Bid Conference
REQUEST FOR PROPOSAL
RFP Number: NYSDOCCS 2013-004
Offender Commissary and
Trust Fund Accounting System

NYS DOCCS Training Academy
1134 New Scotland Avenue
Albany, New York
April 23, 2014
1:00 P.M.

DOCCS Attendees	Division
Thomas Herzog	Community Supervision
Kathleen Kiley	Counsel's Office
Carol Turo	Contract Procurement Unit
David Gambacorta	Contract Procurement Unit
Stefan Koutsakis	ITS Public Safety Cluster
JP Behrle	Budget & Finance

Reported by:
Ellen J. Frankovitch
Shorthand Reporter & Notary Public

1 VENDOR ATTENDEES		
2	Name	Company
3	Andrew J. Pskowski	All State Dist. Northeast, Inc.
4	*Michael Haines	All State Dist. Northeast, Inc.
5	*Ranan J. Wichler	All State Dist. Northeast, Inc.
6	Tim Barttrum	Aramark Correctional Services
7	*Peter Czimback	Aramark Correctional Services
8	Victor Miller	Aramark Correctional Services
9	Thomas Gibney	Global Tel*Link (GTL)
10	Jeff Harris	Keefe Commissary Network, LLC
11	Tim Nichols	Keefe Commissary Networks, LLC
12	Ajit Kumar	Keefe Commissary Network, LLC
13	Don Marriott	Trinity Services Group
14	Bill Terry	Trinity Services Group
15	Greg Gemienhardt	Union Supply Group, Inc.
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17	* Not Present	
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P R O C E E D I N G S

MR. BEHRLE: Good afternoon. My name is JB Behrle, John Behrle. I'm budgets -- with DOCCS Budget and Finance. I've been with the State of New York since 2001; my current position, since 2006. Just so everyone is aware -- I know Carol mentioned it before -- the entire prebid conference is going to be recorded by a stenographer, so please stand up, state your name, state where you're from, just so that she can collect everything.

We're going to go through and what we're going to ask is that -- I'm going to introduce myself, as I already did, and then we're going to go through each of our team and then we're going to ask that you guys introduce yourselves and give us an idea of where you're from.

Dave, if you want to introduce yourself?

MR. GAMBACORTA: I'm Dave Gambacorta. I'm with the DOCCS Contract Unit.

MS. TURO: Carol Turo, DOCCS Contract Unit.

MS. KILEY: Kathy Kiley with the

1 Counsel's Office.

2 MR. KOUTSAKIS: Stefan Koutsakis, ITS
3 Project Management.

4 MR. NICHOLS: Tim Nichols, Keefe Group.

5 MR. HARRIS: Jeff Harris Keefe Group.

6 MR. KUMAR: Ajit Kumar, Keefe Group.

7 MR. GIBNEY: Tom Gibney, Global Tel*Link
8 (GTL).

9 MR. PSKOWSKI: Andy Pskowski, All State
10 Distributors.

11 MR. MARRIOTT: Don Marriott, Trinity
12 Services Group.

13 MR. TERRY: Bill Terry from Trinity
14 Services Group.

15 MR. GEMIENHARDT: Greg Gemienhardt from
16 Union Supply Group.

17 MR. MILLER: Victor Miller, Aramark.

18 MR. BARTTRUM: Tim Barttrum with Aramark.

19 MR. BEHRLE: Thank you. What we're going
20 to do here is, for our prebid conferences,
21 we've collected the questions that were sent
22 in as of Friday 3:00 p.m. from all five of the
23 companies -- excuse me, all six of the
24 companies that bid on the project. But we're

1 not going to directly answer questions here;
2 we need time in order to compile the list of
3 questions. As you can see, in going through
4 the document, it's an extensive list; it's an
5 extensive RFP with a lot of subject matter
6 experts that are involved in this process.
7 There's been some transitions in staff both
8 recently and over the course of the last
9 couple of months; we have some staff that are
10 out on medical leave. So while we tried our
11 best to bring the subject matter experts into
12 the room to answer questions, we won't be
13 answering any questions today.

14 What we ask is that you submit the
15 questions in writing. We're going to give you
16 dates and times to indicate that. You're
17 going to have an extended period to ask
18 questions subsequent to this meeting. All
19 right? So don't feel like today, as of the
20 end of this, is the last opportunity to ask
21 questions. We can get to those dates and
22 times as we go through the different portions
23 of the RFP.

24 We'd ask that even though the

1 presentation -- excuse me, the conference is
2 being recorded, we'd ask that all of your
3 questions be put in writing following the date
4 and time that we're going to ask that those
5 questions are finalized and submitted to us.
6 Same process: I'm the sole point of contact
7 using the email box that we have set up. The
8 final date and time is going to be next
9 Tuesday at 3:00 p.m. Eastern Standard Time.
10 That's when we would ask that you have the
11 final questions submitted in writing.

12 So while you have the opportunity to ask
13 questions here, they're more than likely not
14 going to be answered; we want to make sure
15 with one hundred percent surety that we're
16 giving you correct and accurate information.
17 We do appreciate all the work everyone has
18 done in submitting the questions. They're a
19 great list of questions and we want to make
20 sure that we give you guys one hundred percent
21 correct answers. Okay.

22 What we plan on doing is we're going to
23 go through each section of the RFP at an
24 extremely high level. As we said, each one of

1 the questions referenced a specific section of
2 the RFP. If there's any clarifying questions
3 that you want to ask informally, obviously,
4 we'd ask that you put that question in writing
5 after the fact. But we're more than happy to
6 have a discussion. As I said, the subject
7 matter experts aren't necessarily in the room
8 due to staff transitions and some other things
9 that have been happening internally with our
10 organization, but we're more than happy to try
11 to clarify wherever we can.

12 As we saw from some of the questions,
13 there's obviously some differences in
14 terminologies from state to state and vendor
15 to vendor, so we want to make sure that at
16 least we're all on the same page with those
17 sorts of comments.

18 Are there any questions up to this point?

19 MR. NICHOLS: Tim Nichols, Keefe Group.

20 Could you verify the actual date next
21 Tuesday?

22 MR. BEHRLE: Sure. Let me just make sure
23 I have it one hundred percent for you.

24 The date for next Tuesday for the file

1 submission of vendor questions is going to be
2 3:00 p.m. Eastern Standard Time, the 29th,
3 which is Tuesday. April 29th.

4 MR. NICHOLS: Thank you.

5 MS. TURO: And we'll also be providing --
6 Carol Turo.

7 We'll also be providing a copy of the
8 questions that have already been submitted to
9 date. So if the question is already there,
10 you won't have to restate it. You'll get that
11 before you leave today.

12 MR. BEHRLE: At this point, we're going
13 to go ahead. And what I'm going to have is,
14 I'm going to have Carol Turo from our
15 Procurement Contract Unit just explain the
16 ground rules for the meeting today.

17 MS. TURO: Quickly, just to reiterate:
18 The RFP that we're here eliciting about is the
19 Offender Commissary and Trust Fund Accounting
20 System, RFP Number 2013-004.

21 Okay. Ground rules are pretty brief;
22 we've already talked about the stenographer,
23 and everyone's corporation would be
24 appreciated. And JP did mention that we're

1 going have to address, due to the volume of
2 questions so far, and what we anticipate we
3 will be addressing them formally after this
4 conference, be advised that only questions
5 that are submitted in writing and addressed by
6 DOCCS and answered in writing are official
7 answers. So there may be discussion and
8 things that happen here; if there's something
9 you're questioning and you want an official
10 answer about that issue, be sure to submit
11 that issue in writing so that we can address
12 it. Okay?

13 Written questions -- to reiterate --
14 4/29, as JP said. All questions and answers
15 at today's conference are considered
16 unofficial until you have your written Q and A
17 document. That's really pretty much it.

18 Did I miss anything?

19 Kathy's going talk to you a little bit
20 about the procurement law; this is a New York
21 State law.

22 MS. KILEY: Good afternoon. As I stated,
23 my name's Kathy Kiley. I'm assistant counsel
24 for DOCCS counsel's office. I wanted to

1 remind everyone that, pursuant to the State
2 Finance Law Section 139(J) and (K), we are
3 subject to the restricted period. What that
4 means is that from the date of the notice
5 being published to the date of the contract
6 being approved by the State Comptroller's
7 Office, you can only speak to the person that
8 is listed in the RFP. And for this purpose
9 that would be JP Behrle, and he's actually
10 listed in the RFP. So any questions, any
11 comments, any concerns, they all need to go to
12 JP.

13 Anybody that you contact within DOCCS
14 that is not JP is going to be a problem. It's
15 going to be in violation of 139(J) and (K).
16 It then results in an investigation. The
17 ethics officer will get involved. We'll have
18 to have perhaps a disqualification of your
19 bid. And after all the work with this, we
20 certainly would not want to do that. So
21 that's pretty much what 139(J) and (K) have to
22 do with.

23 The next thing that we're actually going
24 to be getting into, we actually are going to

1 be starting with the appendices, and then
2 we're going to get into the meat of the RFP.

3 The purpose of doing the appendices first
4 is a lot of times people miss things, and it's
5 really important that you take a look very
6 carefully at what each appendix is. And I'm
7 just going to go through this briefly. It's
8 not going to be ad nauseam; I know you
9 probably all have places to go by 3:00, planes
10 to catch, et cetera. So it's going to be very
11 brief.

12 This is Appendix A. These actually are
13 the standard clauses for the State of New
14 York. The one that's listed is 2012; we
15 actually have a brand new one that's
16 January 2014. What is really in this
17 particular one, the 2014 one, is the Iran
18 Divestment Act. Basically, it's stating that
19 your business cannot do business with Iran.
20 It's a state law, but what you should be aware
21 of is, everything that is a clause in this
22 particular section is not negotiable. Okay?
23 We cannot negotiate whatsoever. So if you're
24 awarded the contract, you're going to be

1 subject to everything in this. Okay?

2 Same goes with Appendix B, which are the
3 general specifications. This is for
4 commodities and non-technology services. So
5 you're also going to be subject to that as
6 well. And I know there was a question
7 regarding this, and that will eventually, you
8 know, be discussed in writing when we respond.

9 The next thing is, David is up to speak
10 about Appendix C briefly.

11 MR. GAMBACORTA: As I stated, my name is
12 David Gambacorta. I'm with the DOCCS Contract
13 Unit.

14 With Appendix C, DOCCS has the
15 responsibility to comply with the provisions
16 of New York State Executive Law Article 15A.
17 These policies are intended to promote and
18 encourage participation by minority- and
19 women-owned businesses in state contracting
20 opportunities.

21 This contract has a goal of 20 percent
22 participation; 10 percent minority-owned
23 businesses and 10 percent women-owned
24 businesses. There's a database which can be

1 found on the Empire State Development's
2 website that has a listing of all certified
3 MWBE vendors. The contractors must document
4 good faith efforts to comply with MWBE goals.
5 Failure to comply can result in finding your
6 proposal nonresponsive and/or a breach of the
7 contract.

8 Also included in Appendix C, contractors
9 must undertake and continue -- or continue
10 their existing equal opportunity program.
11 Contractors can submit their own policy that's
12 acceptable to DOCCS, or they can sign the
13 DOCCS EEO policy statement.

14 Next go to the form EEO100. Form EEO100
15 is a staffing plan, which is to show the
16 proposed work force for the performance of the
17 contract, but there's the policy statement I
18 had mentioned previously. There's the MWBE
19 utilization plan, the vendors that you find on
20 the EST website; we list them there to show
21 who you'll be working with to meet the
22 contract goals.

23 There's also form EEO101. That has to be
24 submitted on a quarterly basis to show the

1 compliance or if there's any change to your
2 staffing plan. And form MWBE101 will be
3 submitted on a quarterly basis to report your
4 compliance.

5 Also included with Appendix C is a
6 request for waiver from the MWBE goals. If a
7 vendor feels they have made good faith efforts
8 and are unable to comply with the goals, DOCCS
9 will either accept or deny such a waiver.

10 I'll turn it back over to Kathy.

11 MS. KILEY: All right. As I mentioned
12 previously, I'm Kathy Kiley, so for the record
13 we have that.

14 Appendix D, this actually has to do with
15 the performance and payment bond. The
16 language is exactly how it's going to read, so
17 you need make sure that you understand what
18 this means. It's not unreasonable to have a
19 performance bond for a body such as this, for
20 this particular contract. And it is
21 \$5 million as the bond. So in the event that
22 there is something where the vendor does not
23 perform, they will be subject to this. Okay.
24 And I know there was a question about this, as

1 well. We will address that in the answers.

2 Okay, moving on. Appendix E, this is an
3 Executive Order that the Governor has put
4 forward basically stating that the top six
5 languages in New York State that are spoken
6 must be translated or interpreted, you know,
7 so that everybody can certainly understand.
8 For us, this would be our inmates. So we
9 would be the ones who are actually providing
10 the translation service and the interpretation
11 service. What we ask of the vendor who
12 actually does win the contract is that they
13 comply with us. So if we say, look, we need
14 some help -- you know, you need to provide us
15 with a document, or something like that; or we
16 need to translate it, that's really what we're
17 looking for. So basically that you just
18 cooperate with us so we can translate things
19 so that the inmates can actually read or
20 understand what is being said.

21 Executive Order 38; that's Appendix F. I
22 don't think that this is going to apply to the
23 vast majority of you; however, you should at
24 least be aware of it. It is a cap on

1 administrative costs and also executive
2 compensation. It's really where businesses
3 receive at least one-third of the income from
4 New York State. It is up to the vendor to
5 find out if they actually are in compliance
6 with this; the onus is not on us, on DOCCS.

7 And I would turn this now over to Carol
8 to speak about Appendix G.

9 MS. TURO: Appendix G is, the title is
10 Encouraging Use of New York State Businesses
11 in Contract Performance. This is a fairly new
12 policy of New York State, and it kind of goes
13 hand in hand with the Minority and Women-Owned
14 Business initiatives.

15 New York State has encouraged in all
16 contract endeavors that contractors attempt to
17 use New York State businesses as partners,
18 suppliers, subcontractors -- if you will -- in
19 their dealings. This is just to encourage --
20 promote. It's to promote the utilization and
21 success of small businesses in New York State.
22 So it's fairly easy. It's a policy statement.
23 It's one page; you'll find it in your packet.
24 And that will apply to the contract. It is

1 not written in law; it is, however, a strongly
2 encouraged policy.

3 MR. GAMBACORTA: So we went through the
4 appendices. We're going to go into the
5 attachments now, just to have an idea, go
6 through each one of the different sections.
7 I'm going to talk about Attachment A real
8 fast.

9 Attachment A1 is the Offerer's Bid
10 Proposal Cover Sheet. It's where we get into
11 what needs to be submitted as part the actual
12 proposal that will submitted by you. Without
13 getting into detail, it tries to lay out and
14 provide a cover letter for everything that we
15 need to know about your bid at a very high
16 level.

17 A2, Kathy.

18 MS. KILEY: All right. Attachment A2,
19 this actually has to do with the State
20 Lobbying law. Not to beat a dead horse, but
21 it is really important that you pay attention
22 to 139(J) and (K). As I said, JP is the
23 person you need to speak to for any questions,
24 concerns, et cetera, throughout this whole

1 process.

2 But, in addition to this, there are forms
3 that you're going to have fill out. Everybody
4 needs make sure that you fill out every single
5 form, read it carefully, make sure you sign
6 everything. I can't tell you how many times
7 we get vendors who have submitted bids and
8 they don't provide this. And we need this.
9 And, as I said, we certainly don't want
10 anybody to be disqualified, or anything like
11 that, for the failure of a form, to not, you
12 know, be submitted. So make sure you take a
13 look at it. If you have any questions about
14 it, again, submit questions to JP. Okay?

15 The one other thing, it does say Tony
16 Dolence as the staff member to contact. We
17 should note for the record that, again, it is
18 a correction. You need to contact JP, not
19 Tony Dolence. So I think it's pretty
20 self-explanatory.

21 MR. GAMBACORTA: Next is attachment A3,
22 Contractor's State Tax Certification,
23 certification documents. The statute requires
24 certain contractors awarded state contracts

1 valued at more than a hundred thousand dollars
2 certify to the State Tax Department that
3 they're registered to collect New York State
4 taxes, Form ST220.2(D). This is filled out,
5 removed from the document and submitted right
6 to the Tax Department.

7 The next form, ST220T(C)(A) is just
8 certifying to DOCCS that the contractor has
9 filed the certification with the Tax
10 Department and that it's correct and complete.

11 Attachment A4 is the New York State
12 Vendor Requirement and New York State Standard
13 Response Sheet. And the New York State Vendor
14 System Insurance Company is evaluated fairly
15 while bidding on state contracts, and ensures
16 the State is contracting with reputable and
17 qualified companies. Vendors are recommended
18 to file this requirement online via the OSC
19 Vendor Rep System. They may choose to
20 complete the hard copy that was completed --
21 that was included with the proposal. They're
22 more encouraged to do it online.

23 I did check to see if some of the
24 companies were already on the system and they

1 were. The only thing is, to be considered
2 current, the questionnaire has to be updated
3 and certified every six months. So you should
4 probably do that before your proposal is
5 submitted.

6 If at any time the vendor's
7 responsibility changes throughout the contract
8 period, they must promptly notify DOCCS.

9 MR. BEHRLE: Attachment A5 is the
10 Bidder's Proposed Staff and Client Form. The
11 intention of this form is just to give us an
12 idea of what subcontractors you would be using
13 as part of the contract. While all
14 communication is going to go through the prime
15 on the contract, it gives us an idea of any
16 subs that you would be dealing with.

17 MS. KILEY: Next for A6 is the
18 nondisclosure agreement. Being in the
19 business that you are, you are certainly,
20 obviously, going to be privy to confidential
21 information that is going to have to do with
22 the inmates, their families, et cetera. We
23 are asking that people sign the nondisclosure
24 agreement, whoever wins the contract. You do

1 not need to submit it with your bid. Okay?
2 Wait until you find out what the outcome is.
3 Whoever is the winning vendor will be the one
4 to sign the nondisclosure agreement. So make
5 sure you take a look at it and if there are
6 questions, please pose them now.

7 MR. BEHRLE: The next one, Attachment A7,
8 that's a form that's already been completed
9 and submitted. You guys are here as a result
10 of submitting that form, so that's the most
11 straightforward one we'll talk about.

12 A8 is the Offerer's RFP Bid Proposal
13 Certification Statement. So Attachment A8
14 just indicates that your company is certifying
15 the bid that you're proposing to us.

16 Attachment B is the map of the New York
17 State DOCCS correctional facilities. That
18 gives you an idea as to the logistics
19 associated with deliveries and location of
20 each of our sites. I want to make a note on
21 there that there were two facilities that were
22 on there that have been closed. And that
23 would be updated as part of the addendum so
24 you'll be aware of what sites are no longer

1 there that you will be responsible for
2 delivering to. There are another four
3 facilities that are scheduled to be closed
4 this summer. And we'll also give you have the
5 list of those four sites. So prior to the
6 actual implementation of the RFP, those four
7 sites will be closed.

8 MS. TURO: It's listed on the cover page
9 of your attachment, but we'll summarize it for
10 you.

11 MR. BEHRLE: Attachment C is that same
12 list of facilities. As I mentioned, it
13 doesn't include the four sites that are
14 scheduled to be closed this summer. When this
15 was published, those sites were not scheduled
16 to be closed. In addition, it represents
17 historical data, an average daily offender
18 population by facility. That data is from
19 2010.

20 MS. TURO: JP, can I just add in here?

21 MR. BEHRLE: Sure.

22 MS. TURO: Kathy's talked twice already
23 about procurement lobbying and stressed twice
24 your contacts all have to be to JP. Keep in

1 mind in Attachment C, it lists all the
2 correctional facilities including phone
3 numbers. The procurement lobbying
4 restrictions extend to the facilities. You're
5 not permitted to contact any facilities
6 regarding this procurement.

7 MR. BEHRLE: Specifically regarding this
8 procurement. Obviously, if you have ongoing
9 business that you're conducting with one of
10 the facilities, you're allowed to do that.
11 It's the mention of this procurement that's
12 not allowed.

13 Attachment D is the PCI security
14 standards. That's related to part of the
15 credit card release -- offender release
16 program that will happen.

17 Attachment E is the technical
18 specifications related to the MP3 devices that
19 would be implemented within the facilities in
20 use. There's a section on security; a section
21 on hardware/software system features.

22 Attachment F is the list of the 54 DOCCS
23 operating facilities. It also gives their
24 delivery locations and their schedules. So as

1 you can see in reviewing that document, there
2 are some restrictions in terms of truck
3 heights, and things like that; delivery hours,
4 things like that.

5 MS. TURO: And those four facilities that
6 are closing this summer are on this list.

7 MR. BEHRLE: Yes. So all these
8 attachments -- the attachments won't be
9 updated, but there will be an addendum
10 provided that will be included in this to give
11 you an idea of what documents are actually
12 changed, what attachments or appendices.

13 Attachment G is the list of banks that
14 each one of these facilities use and their
15 locations. We tried to provide a main bank
16 address as well as the local address. Each
17 one of facilities has a banking relationship
18 with a financial institution; this is the list
19 of both the corporate entity and the
20 individual branch that they do business with.
21 In addition, there's some figures on average
22 number of deposits that are included in there.
23 We plan on updating this list to ensure that
24 nothing has changed. We plan on doing that

1 within the next couple of months. I believe
2 that's on schedule for next summer, but we can
3 confirm that.

4 Attachment H3 is the commodity brands
5 definition and listing. This is the list of
6 all of the different brands that we're asking
7 for as part of your bid proposals. We have
8 received the list of -- excuse me, the
9 attachment H4 which was sent in by everyone,
10 and we will compiling that list and sending
11 that out. So we will be analyzing which --
12 the list of quantities that were sent in by
13 each vendor, looking for substitutions. The
14 date that we will handing that out by, we plan
15 on finalizing that list and sending that back
16 out by Friday, April 25th, that list will be
17 out to confirm. If there is a change to that,
18 for whatever reason, we will put that in
19 writing as part of the addendum.

20 Attachment I --

21 MR. GAMBACORTA: I don't think it's this
22 Friday; I think it's May 15th.

23 MR. BEHRLE: Did I give the -- I
24 apologize. We will confirm that and we'll

1 send that date out. Just to give you an idea.

2 The next couple of documents.

3 Attachment H is list of the super
4 categories by list. Attachment I is the
5 bottle deposits and returns. Of specific note
6 in there is the New York State Environmental
7 Conservation Law with respect to Title 10.
8 Just something to take note of, especially if
9 you're new to doing business with New York
10 State.

11 Attachment J -- the next couple of
12 attachments are directives. We're not going
13 to go through those in detail, obviously. We
14 highly encourage you to take a look at those.

15 But Attachment J is inmate organizations.

16 Attachment K -- excuse me as I flip -- is
17 on inmates with sensorial disabilities. And
18 that starts to deal with reasonable
19 accommodation within that directive.

20 Attachment L are reasonable accommodation for
21 inmates with disabilities.

22 Attachment M is on restrictions on
23 electronic devices within New York State DOCCS
24 facilities. It's important to take a look at

1 that, just for the purposes of your bid
2 proposal and restrictions that DOCCS has
3 within our sites.

4 Attachment N, Kathy.

5 MS. KILEY: Attachment N actually is the
6 basic contract that whoever the winning bid
7 is, is going to be signing this contract.
8 It's primarily up-to-date. There are going to
9 be some things that are going to be tweaked,
10 but keep in mind that the vast majority of
11 things will be nonnegotiable; in particular,
12 the termination clauses and federal
13 responsibility. The Office -- New York State
14 Office of the State Comptroller will not
15 approve a contract if we don't have these
16 clauses actually in the contract. So just
17 keep that in mind.

18 The contract is also going to incorporate
19 the RFP itself and any clarifications that we
20 have. So ultimately, we're going to end up
21 with a mammoth document, but it's also going
22 to include the proposal, the winning proposal
23 as an attachment. So this is what you're
24 going to be signing, assuming you're the

1 winning bidder. Okay.

2 MR. BEHRLE: Attachment W deals with the
3 actual printing of the document itself
4 materials in terms of how you'll be doing your
5 bid proposals. If there are any questions as
6 part the process -- I know there were some
7 questions with accessing the RFP, things like
8 that. If you have any questions, please feel
9 free to contact us about that. There's a lot
10 more specifics about exactly what you need to
11 do.

12 David?

13 MR. GAMBACORTA: Next is Table T1, key
14 reporting dates. Bidders assume all risks for
15 timely properly submitted deliveries. Make
16 arrangements for delivery of proposals in
17 advance and submit your proposals so that they
18 are received on time. DOCCS will not consider
19 proposal submissions that arrive after the
20 time specified on the due date.

21 Dates that certain tasks are projected.
22 This particularly applies to proposal review
23 and contract approval.

24 As you mentioned before, DOCCS responses

1 to bidders' questions will be released on 5/15
2 and bidders will have until April 29th Eastern
3 Standard Time to submit additional questions
4 in writing.

5 Next is sample worksheet W-1. This here
6 is a bidders checklist for mandatory proposal
7 responses. Be sure to check and initial where
8 indicated. This worksheet will be included on
9 the encrypted disk that will be sent out to
10 bidders on 5/15.

11 MR. BEHRLE: The last thing that we have
12 for the appendices other than the glossary is,
13 W2 is the sample worksheet, gives you an idea
14 of how the cost proposal will actually be
15 calculated -- or what you'll be inserting,
16 excuse me, into the cost proposal.

17 And W3 is a sample worksheet, which just
18 gives you an idea of what the actual
19 spreadsheet will look like, the encrypted disk
20 that will be sent out to each one of the
21 vendors.

22 The glossary obviously is the list of
23 terms specific to DOCCS and specific to the
24 procurement process.

1 At this point, are there any questions,
2 because we're going to jump into the actual
3 main part of the RFP, go through the preface
4 and go through each one of the sections.

5 MR. HARRIS: Jeff Harris from Keefe.

6 You stated that you'll be closing four
7 sites. Will -- does that mean your population
8 will be reducing as a result or will you be
9 just moving inmates throughout?

10 MR. BEHRLE: The inmates will be moved to
11 another site. Looking at our population as a
12 whole, I can't answer that specifically; I
13 don't have that information. But the inmates
14 will be moved to other sites, unless they were
15 scheduled to be released anyway. That's part
16 of an ongoing DOCCS process.

17 MR. HARRIS: Jeff Harris, Keefe.

18 Just as a followup. You said those
19 populations were from 2010?

20 MR. BEHRLE: Yes.

21 MR. HARRIS: Is there any way to get an
22 updated population by facility?

23 MR. BEHRLE: I don't think that will be
24 an issue. If you just want to put that

1 question in writing, I don't think that would
2 be a problem but I can't make any promises.

3 MS. TURO: I think it's fair to say that
4 DOCCS -- New York State DOCCS population
5 numbers have gone down from a peak of about
6 72,000 in -- in 2004?

7 MR. BEHRLE: 2001 or 2002.

8 MS. TURO: Our population has gone down
9 from about 72,000 to around.... what are we
10 now?

11 MR. BEHRLE: I don't know.

12 MS. TURO: Roughly 59,000. So there has
13 been somewhat of a downward trend. I don't
14 know that it would trend down that quickly.
15 We wouldn't know that; there's kind of no way
16 really to predict that.

17 MR. PSKOWSKI: Andy Pskowski from All
18 State Distributors.

19 Can I get a detailed explanation of why
20 you are restricting the communication with the
21 agencies?

22 MS. KILEY: I'm not sure I understand the
23 question.

24 MS. TURO: With the facilities, you mean?

1 MR. PSKOWSKI: Yes.

2 MS. TURO: Restricting --

3 MR. PSKOWSKI: Communication between the
4 potential vendors or current vendors in regard
5 to the content of this contract.

6 MS. KILEY: Because it's pursuant to
7 139(J) of the State Finance Law. It is not
8 something that I have come up with. But
9 essentially it is to make sure that there is a
10 fair playing field for everyone; for all
11 vendors. So that everybody is communicating
12 with one person. Nobody is unfairly trying to
13 influence anyone else or show any impropriety
14 whatsoever. And that is really what it is.
15 It's an ethical issue. So that is why we
16 prevent anyone from communicating with another
17 DOCCS employee other than the designated
18 person. So there is, that person who is the
19 DOCCS employee, must report that. So it's a
20 very, very serious thing. Certainly we would
21 not want any bid to, like I said, be
22 disqualified, or anything like that as a
23 result.

24 MR. PSKOWSKI: Follow-up. So how are you

1 going to control the flow of information from
2 recently retired employees from DOCCS?

3 MS. KILEY: Unfortunately, there's only
4 so much I can do about that. I can't control
5 what every single person who may be retired or
6 whatever does. However, if I find out about
7 something, I'm certainly going to report it,
8 and we'll have to take it from there and see
9 what exactly we do. It might actually -- we
10 might have to withdraw the bid -- or withdraw
11 the RFP if we find out that there is something
12 like that.

13 MR. PSKOWSKI: Okay, I'll follow up with
14 some questions on that.

15 MR. BEHRLE: Are there any other
16 questions about any of the attachments or
17 appendices?

18 MR. KOUTSAKIS: Stefan Koutsakis. I've
19 been on this project about three years as
20 project manager. Nobody really has much
21 knowledge about the RFP because it's been very
22 close to the Board on this. The folks that
23 have been a part of the RFP process who know
24 this RFP are the key people who are in a

1 better role or position where they know
2 exactly what Kathy is referring to. So if you
3 try to even talk to somebody who's retired,
4 they have no clue about the RFP, what we're
5 looking to do. This is much more different
6 than what is currently out there right now,
7 what you see here. So if you try even -- you
8 might even be going down the wrong path if you
9 try to talk to somebody else who's out in the
10 field.

11 So I think what Kathy's saying is, if you
12 really want the most important, the most
13 critical information and the correct
14 information, make sure you're submitting it
15 correctly, going to JP Behrle is the best
16 person to go through. He has been on this
17 along with myself and a few other people right
18 from the start, so he knows everything that
19 we're trying to accomplish here and he is the
20 best primary person to go through.

21 MS. TURO: And also to add to that, JP
22 won't be the only one answering your
23 questions. He'll be consulting with various
24 people who have been involved in the process;

1 it might even be a facility person, depending
2 on the nature of the question. So we will be
3 researching and providing the best and most
4 accurate answers. You can be assured of that.

5 MR. PSKOWSKI: Andy Pskowski, All State
6 Distributors.

7 How long has this project been underway?

8 MR. KOUTSAKIS: It's taken a while, a
9 couple of years. We've done some thorough
10 work on this, a lot of thorough work on this.
11 It's a massive project. We've had to do a lot
12 of research, a lots of information gathering.
13 So it's taken a while just to put it on the
14 street. Not only does it take pulling it all
15 together, but once we involve OSC, they get
16 involved, too. Because of the complexity of
17 this RFP, they have a lot of questions, too.
18 So there's a lot of effort. This has been a
19 very time-driven, very extensive project, just
20 trying to put the RFP on the street. So
21 there's a lot of time.

22 MR. PSKOWSKI: One more question. I'm
23 just still a little bit confused.

24 I'm working for DOCCS since -- for years.

1 I retired a year ago; I was part of this
2 process two years ago when I retired. What's
3 to prevent me from acting as a consultant for
4 a company and feeding information in to a
5 company in regard to what your ultimate goals
6 are, things that might not have surfaced so
7 far?

8 MS. KILEY: I'd like to answer that one.

9 That employee actually would be
10 subject -- I mean -- to what is known as
11 JCOPE. It's an actual agency that deals with
12 ethics. So employees that have left service,
13 state service, must consult with JCOPE if they
14 left recently and they want to apply for a
15 position with, say, your company, for
16 instance, you know, as an example. So that is
17 something that they would have to be aware of.
18 And most employees are aware of JCOPE. So
19 that's something to keep in mind.

20 Also when you submit your bid, you're
21 also probably going to be stating who's going
22 to be working on this particular contract. So
23 we're going to know whether this person is a
24 former employee.

1 MR. PSKOWSKI: And you would determine
2 that to be a conflict?

3 MS. KILEY: Perhaps; I can't say
4 definitely. And again, I would say, also
5 submit that in writing, if you would, so we
6 can get a better sense. I want to make sure
7 that I fully understand your question.

8 MR. PSKOWSKI: Well, what would be the
9 criteria?

10 MS. KILEY: For what?

11 MR. PSKOWSKI: For determining whether
12 there's a conflict.

13 MS. KILEY: Well, it depends on what the
14 position is. And it depends, too, upon how
15 long they've been away from State service.
16 That's another part of it.

17 So again, it's -- I can't -- it's too
18 general, you know, a question, unfortunately.
19 Which I know it doesn't seem that way, but
20 considering the complexities of JCOPE itself,
21 I need something that's a little more specific
22 as to what you're looking for. So if you
23 could submit it in writing, that would be
24 great.

1 MR. PSKOWSKI: Sure. Thank you.

2 MR. KUMAR: Ajit Kumar, Keefe Group.

3 I have a question on the vendors
4 enrollment that were mentioned. Is it only
5 the prime vendor who is afforded the bid
6 supposed to enrolled, or any subcontractor or
7 any person used -- does any person used in
8 providing the services also need to be
9 registered there? A simple example would be
10 that if you're using somebody for card
11 process, so there's a banking organization
12 that we use to do it, do they still need to be
13 registered as a New York vendor or it's only
14 the prime vendor that needs to be registered?

15 MS. TURO: I believe it's the prime,
16 prime vendor only.

17 MR. KUMAR: So not sub vendor --
18 subcontractor?

19 MS. TURO: Why don't you put that
20 question in writing anyway, so we can make
21 sure that we have an official answer. But I
22 believe that's... But it's your
23 responsibility to make sure you're dealing --
24 you would want to be sure you're dealing with

1 a responsible vendor. We would be concerned
2 with the prime.

3 MS. KILEY: Any other questions at this
4 point?

5 (No affirmative response.)

6 MS. TURO: The actual RFP itself starts
7 with on the first page -- well, there's
8 actually -- I think the very first document in
9 the entire thing here is a quick reference
10 guide. I'm moving past that to the actual RFP
11 itself.

12 On the very first page when you get into
13 the RFP listed as page 2, is called Notice to
14 Bidders. It's on page 2, as I said. I'm not
15 going to go through all the details here, but
16 I just do recommend you flag it to look at it
17 thoroughly. Make sure you fully understand
18 the terms stated on page 2. It's very
19 important, especially given that your deadline
20 to submit questions is next Tuesday the 29th,
21 that you make it through all of this stuff and
22 figure out what you've got questions about.

23 I also -- stepping back just a tiny bit,
24 we've gone through a lot of the forms, and

1 various people talked about forms you have to
2 complete. Be aware also that it's important
3 not to leave the forms till the last part of
4 your bid submission period. This is a
5 complicated RFP, we know. And I also realize
6 you're all from sizable companies and
7 certainly you are not individually the ones
8 who will be responsible for completing all of
9 these forms. But whoever does have that
10 responsibility in your agency, your
11 organization, be sure they are aware of all
12 the forms that are necessary to be returned
13 with your bid. We don't want anybody to be
14 disqualified because they failed to submit a
15 mandatory document.

16 Okay, after -- and going in through --
17 I'm on page 7 through --

18 MR. GAMBACORTA: The name change.

19 MS. TURO: I'm sorry, at first I couldn't
20 see my green sticker because the lights are so
21 low in here.

22 Again, we talked about some changes.
23 This particular person, Mark Joly, is no
24 longer with DOCCS, so you will be submitting

1 all of your bids to David Gambacorta, over
2 here who's been speaking. David's in the blue
3 shirt. So it's David Gambacorta. And you'll
4 have all the correct spelling, and all that,
5 of his name. Same address. Thank you.

6 The preface of the RFP, which is pages 7
7 through 20 -- I'm not going to read 7 through
8 20. However, a couple of key things to note.
9 DOCCS does intend to award one contract, and
10 we anticipate this being a ten-year
11 nonrenewable contract.

12 The preface discusses debriefing that's
13 available at a certain point when we get to
14 that point in the process. You are eligible
15 to request a debriefing if you should so
16 desire.

17 Okay, and I think Kathy is going to
18 discuss some of our legal forms and documents
19 a bit more.

20 MS. KILEY: Not to belabor the point;
21 we've certainly gone through a lot of the
22 appendices previously. But again, we've got
23 the Procurement Lobby Act pursuant to State
24 Finance Law 139(J) and (K). I'm not going to

1 discuss that anymore because I think you guys
2 already get the message.

3 But we've also got the tax law. We've
4 got a tax form that needs to be filled out.
5 Again -- and I know I'm repeating myself, but
6 there have been so many times when we have
7 received bids for other procurements where not
8 everything has been filled out. And if it's a
9 mandatory requirement, you have to make sure
10 that you fill out everything, because
11 certainly you do not get rejected,
12 disqualified, et cetera. So make sure that
13 you do fill out the tax form.

14 The Vendor Responsibility Questionnaire.
15 That is a rather lengthy document. I know
16 it's already been discussed previously, but we
17 have in the past run into issues with the
18 Vendor Responsibility form, so please make
19 sure that you read each question carefully.
20 If you have questions between now and the
21 29th, make sure you understand completely what
22 the questions are in the Vendor
23 Responsibility. Make sure you fill it out as
24 clearly and accurately as possible. Because,

1 as I said, we have run into problems in the
2 past where contracts have not been awarded due
3 to the fact that a vendor responsibility
4 question is not filled out properly or is
5 rather ambiguous.

6 Let's see. I think that is pretty much
7 it for me. On pages 17, 18, 19, it deals with
8 various things in the contract itself; like
9 the McBride Act, basically that you cannot
10 have business with Northern Ireland. Iran
11 Divestment Act; as I mentioned previously, you
12 cannot have business with Iran. Defense
13 indemnification, that is also in the contract
14 itself and I think it's pretty
15 self-explanatory.

16 Let's see. We also get into force
17 majeure; basically, nobody is going to be
18 liable for anything if there is, let's say, a
19 tornado that comes through. Okay.

20 Again, this RFP is going to be awarded on
21 best value. And we also address the issue of
22 FOIL on page 19. If there's anything that is
23 a trade secret of any type, please make sure
24 you note that in your proposal. Okay.

1 And I think that is pretty much it. I
2 will turn it over to JP.

3 MR. BEHRLE: So I'm going to go through
4 Sections 1 through 6; not all at once. What
5 I'd ask is that I'll just kind of cover in a
6 general, very high level idea of what's in
7 each one of the sections. If you have any
8 questions, we can try to help clarify, and
9 I'll also ask that you put the question in
10 writing, but we can have a discussion about
11 any of the issues.

12 The introduction. Within the
13 introduction you have the mission statement,
14 the background. The overview of what
15 currently happens with respect to the
16 commissary and trust fund, and also the
17 purpose of what RFP is intended to accomplish.
18 As we said at the beginning, it's a complex
19 RFP; we're covering trust fund accounting and
20 we're covering commissary services, in
21 addition to adding MP3 services and having
22 offender releases, credit cards. There's a
23 lot of pieces to this. DOCCS is transforming
24 a lot of our current processes and adding a

1 lot of things that we don't currently have.
2 So, like I say, it's complex. That's all in
3 Section 1. So that is currently how items are
4 functioning.

5 Within Section 2, there's a lot of
6 technical components within Section 2 that
7 talk about the general requirements with
8 respect to software maintenance, information
9 ownership, security. There's also some
10 information with respect to the assignment of
11 a project manager to the RFP to make sure if
12 the implementation happens, it happens
13 smoothly. There's a training piece to that,
14 too, on pages 37 and 38. There's also a
15 discussion of equipment and wiring, system
16 operations, and any software or any other.
17 The majority of that section is really devoted
18 to technical infrastructure, software,
19 hardware, and there's a little piece at the
20 end of it about training and the
21 responsibilities, who's responsible for
22 training and training material, things like
23 that.

24 Any questions on Sections 1 or 2?

1 (No affirmative response.)

2 MR. BEHRLE: We can always go back if
3 something spurs something else.

4 Section 3 deals with customer support;
5 once again, kind of along the IT lines, but
6 more focused on responding to our questions,
7 responding to any consumers' questions. And
8 by consumers, I mean inmates -- excuse me,
9 offenders or offenders' friends and family, as
10 they're referred to in the RFP. It deals with
11 certain thresholds in terms of response and
12 escalation.

13 Section 4 deals with -- excuse me. That
14 deals with more of the performance
15 requirements related to escalation and
16 performance.

17 Sections 2 through 4 are very much more
18 the technical component, customer service
19 component. And then that's kind of how the
20 RFP is grouped together. It's very much, like
21 I said, the technical aspect of what's going
22 on with the RFP and the infrastructure that
23 has to be done.

24 Section 5, deals with the commissary

1 system specifically; talks about the
2 commissions. DOCCS is not going to be
3 collecting any commissions of any type as part
4 of this RFP. I know that's a change from what
5 a lot of states currently do. It discusses
6 account activities. It discusses the
7 commissary offerings, which we already touched
8 on as part of one of the attachments. It
9 talks about some of the technical requirements
10 and some of the interfaces. It goes into a
11 lot of the data exchanges that are going to
12 end up happening between your systems and our
13 system. It talks about ordering and
14 fulfillment; warehousing, packaging, delivery;
15 how errors, discrepancies and returns are
16 handled, and the commissary payments to the
17 actual -- from our -- from the system to the
18 commissary, any restrictions that have to
19 happen on those payments. And when I say
20 restrictions, I mean approvals or anything
21 like that.

22 MR. KOUTSAKIS: On this page here, it
23 talks about the population, and it gives you
24 an idea of what the population has been over

1 the past ten years, if you want to get a
2 trending idea.

3 MR. BEHRLE: But if you do want to have
4 an update for '12-13 or '13-14, our fiscal
5 just ended so we should be able to provide you
6 that.

7 MS. TURO: And it's interesting, the
8 population is trending down; the sales have
9 trended up. I guess that's more a function of
10 the cost of items presently. It's inverse.

11 MR. BEHRLE: Any questions on Section 5
12 with respect to commissary? And as we said,
13 most of the the questions that -- all of the
14 questions that were sent in have been captured
15 and will be answered.

16 MR. BARTTRUM: I do have a question. Tim
17 Barttrum with Aramark.

18 You're right; it is a little different
19 that the State's not looking for commissions
20 on commissary, as most states do. Can you
21 give us some background as to what is the most
22 important factor for the State in this
23 procurement? Typically it's revenues, when we
24 look at a commissary bid. So just curious, is

1 it low inmate pricing, is it technology?
2 What's the driving factor, I guess?

3 MR. BEHRLE: Well, I think -- to answer
4 your direct question, I think -- as best as
5 possible, I think the best thing to say is
6 based on how the scoring structure is set up,
7 I think that shows where our emphasis is in
8 terms of trying to -- what we're trying to
9 accomplish on the RFP. So I'll say that. I
10 can't speak to at a management level and at an
11 executive level to say what they're trying to
12 get out of this. But what I would look to is
13 the scoring matrix and how that's set up.

14 Traditionally, what we've done with our
15 commissaries right now is they're called
16 enterprise funds, and essentially there's no
17 profit that's generated as a result of each
18 one of the facilities' operations of their
19 commissary. It's intended to be revenue
20 neutral -- I shouldn't say that. There's a
21 very, very, very slight profit that's used for
22 some minor operating costs. But in general,
23 it's intended to be revenue neutral. That's
24 traditionally what we've done.

1 And that's probably about as good as of
2 an answer that I'm going to be able to give
3 you. I mean, if you want to put that in
4 writing, we can try to give you a better idea.
5 I mean, we plan on having executive staff
6 review these questions, especially the ones
7 that deal with changes to policy, future
8 changes, things like that.

9 MR. BARTTRUM: Thank you.

10 MR. BEHRLE: Any other questions about
11 Section 5 on commissary?

12 (No affirmative response.)

13 MR. BEHRLE: Section 6 deals with the
14 trust fund accounting system. As you can see
15 within the RFP, there's kind of a staged
16 approach to the implementation of the RFP. We
17 spell out the schedules and general "no later
18 than" timelines as part of the document. It
19 deals with the trust fund accounting system,
20 that we have the scope, account activity, the
21 requirements and, as I mentioned, the phase
22 functionality requirements, to get an idea of
23 what we're trying to do as our initial phase
24 and then as part of our future phases going

1 forward.

2 Sections 5 and 6 are really a lot of the
3 business requirements with respect to how
4 we're trying to change our current process.
5 There's obviously a lot of other changes as
6 part of this where the infrastructure doesn't
7 exist, but we are trying to -- you know, this
8 is the majority of the business of the RFP
9 itself. Obviously, the other sections are
10 very important, but as the business lead on
11 this, these are the sections that I've
12 specifically been focusing on.

13 Carol, do you want to do 7.

14 MS. TURO: It says so on the list.

15 MR. BEHRLE: Okay.

16 MS. TURO: Section 7 addresses bidder
17 qualifications. We're going to ask you --
18 this is on page 63 for your reference. Please
19 note in that section what it's asking you to
20 submit. You'll be asked to provide
21 information about your company's experience,
22 at least three years of -- with a minimum of
23 three years of experience providing similar
24 services. You'll also be asked to provide

1 qualifications for your staff and references
2 for your company.

3 And this Section 7 also references on
4 page 64, it again references vendor
5 responsibility, which we've talked about a
6 couple of times and we've mentioned that you
7 need to be in the vendor responsibility system
8 in New York State either through the online
9 portal or through a paper submission. We
10 already have checked and we know some of you
11 are already in the system so you're obviously
12 doing business in New York State already. But
13 be advised, as I think David or JP mentioned,
14 you do have to be recertified -- you have to
15 recertify -- what is it, Dave, within six
16 months?

17 MR. BEHRLE: Yes.

18 MS. TURO: Yeah, your certification has
19 to be current within six months.

20 And in addition, you're asked to submit
21 any information related to complaint history
22 against your company. That's on page 66.

23 Questions about that section?

24 (No affirmative response.)

1 MR. BEHRLE: Section 8 deals with rate,
2 fees, costs for commissary and trust fund
3 accounting. Once again, we reiterate the cost
4 proposals -- as you can see as you're reading
5 the RFP, there's a lot of places where we
6 reiterate the same information over and over
7 again. We want to make sure -- because the
8 majority of the requirements are mandatory, we
9 want to make sure they're covered in multiple
10 spots just so that you're aware of what's
11 required as part of the submission. So there
12 is a lot of redundancy within the document.

13 Section 8.1 deals with the cost proposal,
14 talks a little bit in the last paragraph about
15 MP3 players, which I have mentioned is
16 something new for our organization.

17 8.2 just reiterated what we discussed
18 about commissions, that DOCCS won't be taking
19 any commissions whatsoever.

20 Section 8.3 talks about the account
21 management. And Sectio 8.4 talks about the
22 Department of Corrections and Community
23 Supervision's liability.

24 Any questions on that section?

1 (No affirmative response.)

2 MS. KILEY: Just very briefly, because
3 we've already discussed a lot of stuff that's
4 in this before. The vast majority of this
5 section, it's all going to be actually in the
6 contract; okay. One thing that I did want to
7 point out to everybody is, should you be the
8 winning vendor, keep in mind that once the
9 contract is drafted, put together, signed, it
10 has to go to the Office of the Attorney
11 General for approval, as well as the Office of
12 the State Comptroller. This is a bit of a
13 lengthy process. I just want to make sure
14 that everybody understands that this is going
15 to take probably a few months, it's a safe
16 bet. Because it does take a long time;
17 there's certain layers, you know, of review,
18 et cetera. So I just want people to be aware
19 of that part.

20 But again, like I said, we've got the
21 general responsibility clauses that you have
22 to comply with as a vendor, must also remain a
23 responsible vendor as per the Vendor
24 Responsibility Questionnaire. If you are not,

1 the contract can be terminated. And certainly
2 we don't want that.

3 Again, we already talked about the
4 performance bond, licensing, escrow software;
5 I think that's all pretty self-explanatory.
6 The termination clause -- clauses, actually,
7 that are in the contract, make sure you look
8 at those very carefully. We've got the
9 nondisclosure agreement, which will also be
10 incorporated as part of the contract. Again,
11 there is the contract with standard clauses,
12 which we will also be posting the updated
13 January 2014 standard clauses. That's the
14 Appendix A.

15 And I think the rest is rather
16 self-explanatory. Any questions with respect
17 to that?

18 (No affirmative response.)

19 MS. TURO: Section 10 deals with
20 administrative procedures. And, surprise,
21 surprise, we're going to talk about restricted
22 contacts again. This is addressed in Section
23 10.1. Again it goes back to the procurement
24 lobbying which you've heard all about. So

1 just reminding you of that.

2 Also this section does address DOCCS
3 reserved rights. There's a bulleted list
4 appearing on page 73; I'm not going to read
5 the list to you, but there are certain rights
6 that are reserved and are necessary in order
7 for us to complete this process.

8 The proposal format is described for you
9 in Section 10.2 starting on page 74. Pay
10 attention to this; it gets into a little bit
11 of detail, but it's there for you. And we
12 don't want, again, anyone's bid to be
13 disqualified on a technicality, so pay close
14 attention to those details on pages 74 through
15 76.

16 Page 77 in 10.2 talks about that your
17 proposal will be in two parts, the technical
18 part and then moving on into page -- on to the
19 end, there's also a cost section.

20 Finally, this section concludes with a
21 discussion of the proposal evaluation
22 procedures. This is page 78 through the end,
23 I believe. 78 through 79, 80.

24 Any questions on that part in particular,

1 Section 10?

2 (No affirmative response.)

3 MS. TURO: I see a few people getting up.
4 If you have to go, I think we discovered that
5 the men's room is on the first floor; women's
6 room is upstairs. So you guys are the lucky
7 ones.

8 It's out to the left, JP?

9 MR. BEHRLE: Yes. Take a right and then
10 at the wall take a left. That probably would
11 have been good to tell you at the beginning.

12 Section 11, which is the last section of
13 the document, talks about the cost proposal
14 scoring and methodology. What it goes into
15 and -- and it references the majority of the
16 attachments that we went through initially at
17 the beginning of the conference. Just echoing
18 what Carol and Kathy said, pay attention to
19 detail with it. We want to make sure that
20 we're not disqualifying anyone due to some
21 sort of technicality. It's a lot of
22 information that we're asking from you as part
23 of this proposal. This is the first time
24 DOCCS is doing something along these lines

1 with these sorts of systems and we want to
2 make sure that we get the best possible result
3 out of this and tried to be as thorough as we
4 could with the document and make sure that
5 everything was as clear as it could be.

6 As we keep saying, if there are any
7 questions, use the mailbox to reach out to me.
8 I do need to apologize. We've been having
9 some technical issues within our agency as a
10 result of an ITS transition, so it's been
11 delayed in responding in a few instances. So
12 I do want to apologize for that. But those
13 issues have died down, so the response should
14 be more timely.

15 In addition if possible when submitting
16 your questions, Word is a better format if you
17 can. The questions will be taken in any way
18 that they're sent in -- don't get me wrong.
19 But if possible, Word is the best format.

20 Section 11 talks about the different
21 points that will be awarded based on the
22 different scoring matrices. As Carol just
23 mentioned, there's the technical portion and
24 then there's the cost proposal portion. If,

1 for whatever reason, you don't meet all the
2 mandatories associated with the technical
3 portion, your cost proposal will sent back.
4 It will not be opened. So as you can see in
5 the instructions, we ask that both of them are
6 sealed. We won't even look at what your cost
7 proposal was if you don't clear the technical
8 portion. That won't even be a consideration
9 if you don't pass in the mandatories on the
10 technical.

11 Other than that, at this point if there's
12 any questions or follow-up to the questions
13 that were actually submitted to us? Like I
14 said, we're more than happy to answer any
15 questions. You're going to have until
16 3:00 p.m. Eastern Standard Time on Tuesday the
17 29th to ask any additional questions that
18 resulted as follow-up to this prebid
19 conference.

20 MR. HARRIS: Jeff Harris from Keefe.

21 After the submission of the answers from
22 DOCCS to the vendors, will there be a
23 follow-up period for clarification if you guys
24 are not fully answering our questions?

1 MR. BEHRLE: I think the way we had
2 discussed it internally was, anything that we
3 feel would affect a vendor's proposal, we
4 would clarify. That clarification would be
5 distributed to all the vendors. So if there's
6 additional follow-up questions that we feel
7 like it's in the best interest of DOCCS to
8 answer, we would be more than happy to answer
9 that and everyone would get that same question
10 and answer.

11 MR. HARRIS: So there's no cut-off time
12 for that?

13 MR. BEHRLE: There's not necessarily a
14 cut-off. We're putting as a formal cut-off of
15 this Tuesday. If there's something that's not
16 specifically answered that you think is
17 substantive to your response, we encourage you
18 to ask that and I think we're going to make
19 the determination as to whether or not it's in
20 our best interests.

21 As we indicated, our intention here isn't
22 to try to disqualify anyone into a situation
23 where they're not bidding to their fullest
24 potential or bidding something that they feel

1 like they're -- I don't want to say at a
2 disadvantage, but we want to make sure you
3 have the best information possible to have the
4 most complete proposal.

5 It is a very dynamic -- it's a very fluid
6 document, so there are a lot of moving pieces.
7 And for us, as much as it is about you guys
8 being familiar with what our current process
9 and technical process is, it's as much for us
10 because we're doing the same thing for the
11 first time.

12 MR. KUMAR: Ajit Kumar, Keefe Group.

13 I have a question on the trust accounting
14 fees, as you mentioned that the trust
15 accounting that DOCCS uses in a centralized
16 system, you referred to banks, every facility
17 having their own individual banking
18 institution. Is there a future expectation on
19 your part being put towards a central bank?

20 MR. BEHRLE: I can't speak for what our
21 future plans are; that would be something that
22 would have to be addressed by our executive.
23 I would say informally for our current
24 situation right now, we have the relationships

1 with each one of the individual financial
2 institutions. In certain cases you can see
3 they overlap; like six or seven of the
4 facilities utilize Bank of America, and
5 there's other different places that are
6 utilized. I don't know what the intentions
7 are of going through a centralized bank. We
8 provided the list so that you'd be able to
9 build the relationship that you need
10 technically with each one of the banks. We
11 don't traditionally change banks all that
12 often. That's just looking at the past; I
13 don't know what's going to happen in the
14 future. But traditionally, we haven't changed
15 banks in a lot of cases. It's not every six
16 months or every year that we change banking
17 relationships. In general, they're usually
18 pretty stagnant.

19 As we believe we indicated in the RFP,
20 every single one of our banking relationships
21 has to be approved by the Office of the State
22 Comptroller, so there are technical -- there
23 are other processes in place that have to
24 happen if we were going to switch financial

1 institutions. And that would be built into
2 the RFP. With respect to your centralized
3 bank question I don't know what our intentions
4 are in the future.

5 Are there any other questions
6 specifically on what we currently do? While I
7 know that our current processes are going to
8 be transforming significantly, any questions
9 on what we currently do?

10 (No affirmative response.)

11 MR. PSKOWSKI: Andy Pskowski, All State
12 Distributors.

13 Could you make available every item you
14 currently purchase?

15 MR. BEHRLE: Well, you can...

16 MR. PSKOWSKI: A lot of the brands I
17 haven't recognized, and I've been selling to
18 the system for 35 years. I don't recognize a
19 lot of the brands. I read every agency bid,
20 and I'm really a little bit confused about
21 national brands versus generic brands.

22 MR. BEHRLE: Well, speaking of the
23 history of the implementation that Stefan was
24 referring to a little before, one of the

1 things that we're trying to accomplish is the
2 standardization of the buy sheet across our
3 enterprise. And what we did as part of the
4 process was we tried to -- well, we collected
5 the buy sheets from every single one of the
6 facilities, and then a committee of members
7 developing the RFP in conjunction with our
8 executive team decided which items were going
9 to be used.

10 One of the things we were unsure about
11 within the process was, what was a nationally
12 or regionally recognized brand. So that's
13 why, as you saw as part of your initial
14 submittal, we asked for what you would
15 consider what's a regional or national brand.

16 So while the expectation isn't that every
17 single item that's currently on every single
18 buy list is going to exist as part of this
19 implementation, we tried to make as
20 intelligent a business decision as we could
21 while still offering the same level of service
22 that the inmates are currently getting.

23 Does that answer your question, as best
24 as I can answer it?

1 MR. PSKOWSKI: I'm just not sure why
2 there were so many brands in there that
3 weren't relevant to the current situation or
4 that I could recognize in the last 35 years.

5 MR. BEHRLE: Well, what we'd say is you
6 have the opportunity to add, as part of your
7 submittal, any additional brands that you
8 wanted to be recognized as regional or
9 nationally recognized. So, while the current
10 bid list that's part of one of the attachments
11 may not be one of the brands that you're used
12 to or you've sold in the past, we're more than
13 happy to consider it as part of the offer.

14 MR. PSKOWSKI: I wouldn't dare ask you
15 who's on the committee, who are the committee
16 members or the executive board, but what's
17 their background and experience? Are they in
18 the security end, are they in the retail end
19 internally, are they in the business end?

20 MR. BEHRLE: I'd feel more comfortable if
21 you'd put that in writing, and obviously,
22 we'll provide an answer in writing. But what
23 I would say is that as part of the development
24 of this RFP, there was a broad range of people

1 involved with a lot of different areas within
2 DOCCS. So there were business staff, security
3 staff, information technology staff. There
4 were four or five key areas that were involved
5 with this because, like you said, it's a
6 complex RFP.

7 MR. PSKOWSKI: Thank you.

8 MR. BEHRLE: You're welcome.

9 MR. GEMIENHARDT: Greg Gemienhardt, Union
10 Supply.

11 Do you currently have some friends and
12 families category for what's going on now in
13 the facilities, and how many do you have?

14 MR. BEHRLE: Currently, right now we do
15 not. We do not have any sort of situation
16 that's standardized, or anything like that.
17 The offenders' friends and family have the
18 opportunity to send in packages that are
19 bought locally, but we have no offerings
20 currently to say you can buy from a vendor
21 that we're dealing with. There's nothing in
22 place right now.

23 They do have the ability to send in
24 things, though, assuming they're cleared

1 through our package room and they meet all the
2 different requirements of the directive. And
3 I can't speak to the specifics of the
4 directive.

5 MR. GEMIENHARDT: And those items are
6 sent in from family members, not other vendors
7 or retailers?

8 MR. BEHRLE: Offenders currently have the
9 opportunity to buy from approved vendors --
10 excuse me. They have the ability to buy from
11 a vendor, assuming the vendor is not
12 disapproved by us. So the offender can buy
13 directly from the vendor, and it would come
14 through the package room and -- would fall
15 under the guidelines of the package room. Or
16 they have the ability to have their friends or
17 family send in a package from the outside.
18 But they can do business with vendors assuming
19 they're not disapproved.

20 MR. GEMIENHARDT: As follow-up, do you
21 have any record of those sales and what the
22 amounts are, or are they separate from the
23 commissary sales?

24 MR. BEHRLE: They would be separate from

1 commissary sales and we wouldn't technically
2 consider them sales because it would just be
3 one of the offenders doing business with an
4 individual vendor, not something -- while we
5 collect the information so we can disperse the
6 check to the vendor once the inmate has
7 received their items, I don't know how easy or
8 difficult it would be to gather that
9 information.

10 But if you put that writing, we can look
11 at our inmate accounting system and see if we
12 can pull that out or not. I have a feeling
13 that it's probably going to be somewhat
14 difficult, but we can try.

15 We don't consider them sales, though. We
16 consider them just we're the intermediary
17 for the inmate to do business with the vendor,
18 is the way we look at it.

19 MR. GEMIENHARDT: Thank you.

20 MR. BEHRLE: You're welcome.

21 MR. PSKOWSKI: Andy Pskowski.

22 Do you currently have any facility that's
23 being operated for packages being sent on a
24 commissary side, currently?

1 MR. BEHRLE: Once again, I'm going to ask
2 you to put the question in writing. But the
3 last I knew -- and I'm not -- I don't sit over
4 the area that's directly responsible for
5 commissary. I believe there is one facility
6 that we outsource the commissary operations to
7 because it was a new service that was added to
8 the facility. So traditionally, that facility
9 was a work release facility and it didn't have
10 commissary services before. So when we made
11 the decision whether or not we were going to
12 keep it inhouse or outsource it, at the time
13 it provided us the opportunity to outsource
14 it, and that's the decision that was made.

15 MR. PSKOWSKI: So was that put out on a
16 bid?

17 MR. BEHRLE: I don't know the process or
18 the procurement for that. I couldn't answer
19 that. If you put that in writing --

20 MR. PSKOWSKI: Well, you'll answer that
21 question?

22 MR. BEHRLE: I believe we will, yes. I
23 don't know what the process was. I wasn't
24 involved with the selection or the procurement

1 at the site or centrally.

2 Any other questions about the document
3 itself or current processes?

4 My background is as a teacher, so one of
5 the things they taught us in education college
6 was you want to wait eight seconds because
7 that usually is the amount of time that
8 someone needs to process a question. So if we
9 ask if you have any questions and then a
10 second later you move on, that's usually not
11 the best approach. So if I'm just standing
12 here staring at everybody, that's what's going
13 on.

14 MS. TURO: So we all know you're counting
15 to eight; right.

16 MR. BEHRLE: And I don't have to take off
17 my shoes for that.

18 MS. TURO: JP is bringing around -- make
19 sure I have enough.

20 What we are distributing is a copy of all
21 the questions that have been submitted as of
22 Friday the 18th. Again, this should help you.
23 So that in submitting any additional
24 questions, review what's here and work from

1 that if you need any clarification or if you
2 have any added or you have additional
3 questions.

4 MS. KILEY: One thing I just want to
5 clarify -- and I know I've talked ad nauseam
6 about the restricted period. But what I also
7 want to make sure that is very clear is the
8 restricted period applies to the RFP itself.
9 If you are currently a vendor, you can
10 certainly talk to the people that you are
11 normally talking to about your current
12 contract. So I just want to make sure that
13 that is abundantly clear to everybody. I
14 don't want anyone to think they're in
15 violation of anything if they're talking about
16 a current contract with a facility and about
17 something that's already preexisting. Okay.

18 MR. BEHRLE: Like Carol mentioned --
19 sorry, to follow up on what Kathleen said, we
20 have -- the facilities have been notified that
21 we're in the restricted period. They've been
22 notified few times at this point. So be aware
23 that the facilities understand what they're
24 allowed to speak about and what they're not

1 allowed to speak about. So if you do have a
2 current relationship with one of our
3 facilities, the business offices and the
4 executive teams have been notified of that
5 sort of situation. Just for the full
6 disclosure so that everyone is aware.

7 Andrew?

8 MR. PSKOWSKI: Andy Pskowski from All
9 State Distributors.

10 Have any of the facilities been
11 approached to test a project, to test drive
12 this type of project on an individual basis?

13 MR. BEHRLE: Internally or from an
14 outside vendor?

15 MR. PSKOWSKI: Well, I speak for an
16 outside vendor, but internally, absolutely.

17 MR. BEHRLE: In terms of -- are you
18 asking --

19 MR. PSKOWSKI: Anyone on the executive
20 team from the Commissioner's Office approach
21 the facility and said, would you like to be
22 the guinea pig for this type of project?

23 MR. BEHRLE: You can put that question in
24 writing. I didn't -- informally I don't even

1 have an answer.

2 MR. PSKOWSKI: Okay.

3 MR. BEHRLE: You're looking for people --
4 when you ask that question, just for
5 clarification when you put it in writing.
6 You're looking for the sentiment of the
7 facilities. That's what you're looking for,
8 whether --

9 MR. PSKOWSKI: No, no, not at all. I'm
10 just asking if DOCCS has considered doing it
11 on an individual basis in the past two or
12 three years.

13 MR. BEHRLE: Okay.

14 MR. PSKOWSKI: And let me be clear about
15 this. A year and a half ago a facility --
16 somebody in the business office said, yeah, we
17 were asked if we wanted to take on a package
18 deal. And I don't remember who -- it just
19 comes to my mind after hearing you talking
20 about this. If we wanted to be their guinea
21 pig for testing this out. I can't speak for
22 other vendors approaching them; I'm sure
23 that's been done. There's always a lots of
24 rumors around. But I would just be curious

1 whether there's any documentation on that.
2 Whether this has been entertained before and
3 whether they've considered doing it on an
4 individual agency basis.

5 MR. BEHRLE: Well, I guess if you put it
6 in writing, we'll try to do our best to
7 answer.

8 MR. PSKOWSKI: Thank you.

9 MR. BEHRLE: You're welcome.

10 With respect to the questions that are
11 due on Tuesday by 3:00 p.m. Eastern Standard
12 Time, if there's something that came up as a
13 result of here that maybe you want to clarify
14 a question that you've already asked, we'd be
15 more than happy to substitute your question
16 that you've already asked -- assuming it's you
17 that's already asked it -- for the one on the
18 list, just so that there's not a duplicate
19 sort of process.

20 We don't plan on combining any of the
21 questions together; instead, we plan on
22 grouping them together by section just so
23 that, even if questions are similar, they'd be
24 one after the other instead of section one on

1 the first page and then section one again on
2 the last page. Just trying to make the
3 process as efficient as possible. But as I
4 said at the beginning, great list of questions
5 and we do appreciate input back, both the
6 input and the questions.

7 MS. TURO: If there's anyone in the room
8 that didn't sign in and provide their email,
9 could you make sure you do that.

10 Do we know where the sign-in sheet went?
11 Okay, good. So it's right back there. For
12 anyone who hasn't done it, please take care of
13 that. Print clearly. Put your email clearly.

14 MR. BEHRLE: At this point, if you guys
15 have any final questions, I'll be more than
16 happy to try to at least answer them
17 unofficially.

18 We'll make -- we'll confirm when the
19 national and regional brands will be
20 confirmed. That date was horribly off, so
21 we'll confirm it. It will probably, more than
22 likely, be in May but that will be one hundred
23 percent and we'll send out an email to
24 everyone that attended here and everyone who's

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listed on your contact sheet. So whether or not someone attended, we'll make sure that they get copied on it.

If there's not anything else, we appreciate your taking your time to come out. Thank you very much.

(Whereupon, the proceedings in the above-entitled matter were concluded at 2:25 p.m.)

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C E R T I F I C A T I O N

I, ELLEN J. FRANKOVITCH, Shorthand Reporter and Notary Public in and for the State of New York, do hereby CERTIFY that the foregoing record taken by me at the date and place noted in the heading hereof is a true and accurate transcript of same, to the best of my ability and belief.



ELLEN J. FRANKOVITCH

Dated: April 26, 2014