



MEMORANDUM

"SOLE SOURCE DECLARATION"

TO: Hidalgo County Commissioners' Court

FROM: Martha L. Salazar, CPPB
Hidalgo County Purchasing Agent *mls*

DATE: November 19, 2012

RE: "Sole Source Declaration"- Cummins Allison Corp.

In 2008 Hidalgo County (through its Tax Office) purchased Currency Handling Scanners. The equipment, software, support, maintenance and repairs were purchased from Cummins Allison Corp through solicited quotes presented to Commissioner's Court on Agenda Item #7875 on February 20, 2008.

Cummins Allison Corp. is the Sole Source factory authorized preventative maintenance and repair service provider. In addition because Cummins Allison Corp. manufactures the product, it is the only source for provision of repair and maintenance.

Therefore, Hidalgo County Tax Office requires the continuance of the maintenance plan to include the purchase of all future purchases of equipment, licenses, software, maintenance-support and related services for the Tax Office from the sole source vendor: Cummins Allison Corp. for the Currency Handling Scanners through the possession of the hardware-software equipment by the Tax Office.

HIDALGO COUNTY PURCHASING DEPARTMENT
SOLE SOURCE AFFIDAVIT

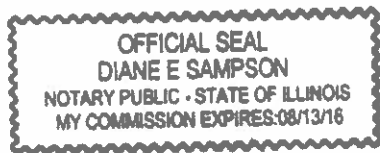
THIS IS AN OFFICIAL PURCHASING DOCUMENT-RETAIN WITH PURCHASE ORDER

Before me, the undersigned official, on this day, personally appeared Jeffrey G. Knou
a person known to me to be the person whose signature appears below, whom after being duly sworn
upon his/her oath deposed and said

1. My name is JEFFREY G. Knou I am over the age of 18 have never been convicted of crime and am competent to make this affidavit
- 2 I am an authorized representative of the following company or firm Cummins Allison Corp.
- 3 The above named company or firm is the sole source for the following item(s) product(s) or service(s).
FACTORY-AUTHORIZED PREVENTATIVE MAINTENANCE + REPAIR SVC OF Cummins Allison CRT
- 4 Competition in providing the above named item(s), ~~product(s)~~ service(s) is precluded by the existence of a patent, copyright, secret process or monopoly as stated under Section 262.024(a)(7)(A) of the Local Government Code Also, attached hereto is a sole source letter which sets forth the reasons why this Vendor is a sole source provider (dated and signed)
- 5 There is/are no other like item(s) or ~~products~~ available for purchase that would serve the same purpose or function
- 6 Note This Vendor understands that by providing false information on this Sole Source Affidavit it may be considered a non-responsible Vendor on this and future purchases and may result in discontinuations of any all business with Hidalgo County

Signature [Signature]

SWORN AND SUBSCRIBED TO under oath before me on 14 day of November, 2013



[Signature]
NOTARY PUBLIC

Diane E Sampson
PRINTED NAME

8.13.16
MY COMMISSION EXPIRES

COMPANY NAME Cummins Allison Corp.
ADDRESS CITY STATE & ZIP CODE 9330 Corporate Dr. Ste. 302
PHONE 210-651-8200 FAX NUMBER 210-651-8282
CONTACT NAME AND TITLE [Signature]
WEB ADDRESS _____ EMAIL _____
FEDERAL TAX ID NUMBER 13501451408 TEXAS SALES TAX NUMBER _____

plies, separate purchases of supplies by an individual department are not considered to be part of a single purchase and single contract by the county if a specific intent to avoid the requirements of this subchapter is not present.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 1, § 57(a), eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 1250, § 9, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 16, § 13.02(b), eff. Aug. 25, 1991; Acts 1993, 73rd Leg., ch. 757, §§ 13, 38, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 442, § 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 505, § 2, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 436, § 4, eff. May 28, 2001; Acts 2001, 77th Leg., ch. 1063, § 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1409, § 4, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1276, § 12.004, eff. Sept. 1, 2003.

¹ V.T.C.A., Local Government Code § 271.041 et seq.

Section 15(a) of Acts 2001, 77th Leg., ch. 1409 provides:

"The changes in law made by this Act apply only to a contract for which requests for bids, requests for proposals, or requests for qualifications are published or distributed after September 1, 2001."

§ 262.0235. Procedures Adopted by County Purchasing Agents for Electronic Bids or Proposals

The county purchasing agent, before receiving electronic bids or proposals, shall adopt rules in conformance with Section 262.011(o) to ensure the identification, security, and confidentiality of electronic bids or proposals.

Added by Acts 2001, 77th Leg., ch. 1063, § 3, eff. Sept. 1, 2001.

*** § 262.024. Discretionary Exemptions**

(a) A contract for the purchase of any of the following items is exempt from the requirement established by Section 262.023 if the commissioners court by order grants the exemption:

- (1) an item that must be purchased in a case of public calamity if it is necessary to make the purchase promptly to relieve the necessity of the citizens or to preserve the property of the county;
- (2) an item necessary to preserve or protect the public health or safety of the residents of the county;
- (3) an item necessary because of unforeseen damage to public property;
- (4) a personal or professional service;
- (5) any individual work performed and paid for by the day, as the work progresses, provided that no individual is compensated under this subsection

for more than 20 working days in any three month period;

(6) any land or right-of-way;

* (7) an item that can be obtained from only one source, including:

(A) items for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies;

(B) films, manuscripts, or books;

(C) electric power, gas, water, and other utility services; and

(D) captive replacement parts or components for equipment;

(8) an item of food;

(9) personal property sold:

(A) at an auction by a state licensed auctioneer;

(B) at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; or

(C) by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or

(10) any work performed under a contract for community and economic development made by a county under Section 381.004.

(b) The renewal or extension of a lease or of an equipment maintenance agreement is exempt from the requirement established by Section 262.023 if the commissioners court by order grants the exemption and if:

(1) the lease or agreement has gone through the competitive bidding procedure within the preceding year;

(2) the renewal or extension does not exceed one year; and

(3) the renewal or extension is the first renewal or extension of the lease or agreement.

(c) If an item exempted under Subsection (a)(7) is purchased, the commissioners court, after accepting a signed statement from the county official who makes purchases for the county as to the existence of only one source, must enter in its minutes a statement to that effect.

(d) The exemption granted under Subsection (a)(8) of this section shall apply only to the sealed competitive bidding requirements on food purchases. Counties shall solicit at least three bids for purchases of food items by telephone or written quotation at intervals specified by the commissioners court. Counties

AI-7875

21. A. 11.

CC REGULAR

Meeting Date: 02/20/2008

Submitted For: Marty Salazar

Submitted By: Priscilla Torres, COUNTY CLERK

Department: PURCHASING DEPT.

Information

CAPTION

A. Presentation for discussion, consideration, acceptance and approval to purchase computer equipment and peripherals from Calence for the I.T. Department through DIR Contract for \$ 11,072.24 under requisition # 125816.

B. Presentation for discussion, consideration, acceptance and approval to purchase and enter into agreement with Cummins-Allison Corp. for the Tax Office in the amount of \$17,382.60 solicited through quotes for requisition# 125719.

C. Requesting authority to increase purchase order #597328 and enter into agreement for ICC Enterprises, Corp. for the Elections Department in the amount of \$550.00 to include insurance for the rental of laptops needed for the Phone Bank.

D. (a) Requesting exemption from competitive requirements under the Texas Local Government Code, Section 262.024 (a) (7), "an item that can be obtained from only one source" in connection with the purchase of proprietary components to the Hidalgo County Sheriff's Office for Inmate Visitation Phones through Sound Powered Communications Corp.

E. Approval of a Sole Source Declaration with authority to purchase from Sound Powered Communications Corp. a visitation phone system (a proprietary component of Visitphone System 500) in the amount of \$1,185.00 for requisition # 125958.

F. Requesting authority to purchase Democratic party ballots through Election System & Software, Inc. through state contract #TPSS 578 in the amount of \$39,023.00 for requisition #125426.

G. Requesting authority to purchase Republican party ballots through Election System & Software, Inc. through state contract #TPSS 578 in the amount of \$5,989.00 for requisition #125423.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2007

ACCT. #: 8-1100-415-00-020-002-0-745

FUNDS AVAILABLE Y/N?: y

MATCHING FUNDS Y/N?: n

Yolanda Velasquez

From: Martha Salazar [mailto:martha.salazar@co.hidalgo.tx.us]
Sent: Thursday, November 01, 2012 2:38 PM
To: 'Yolanda Velasquez'
Subject: FW: page 3 of Cummins Agreement

Importance: High

WHOOOOOPPPPPPEEEEEEE!!!!!!!!!!!!!!!!!!!!!!

From: Steve Crain [mailto:scrain@atlashall.com]
Sent: Thursday, November 01, 2012 1:53 PM
To: 'Martha Salazar'
Subject: RE: page 3 of Cummins Agreement

This will work if they will make a reference in the contract to the letter and attach the letter to the contract.

From: Martha Salazar [mailto:martha.salazar@co.hidalgo.tx.us]
Sent: Thursday, November 01, 2012 11:58 AM
To: 'Steve Crain'
Cc: 'Yolanda Velasquez'
Subject: FW: page 3 of Cummins Agreement
Importance: High

Mr. Crain:
Please review the e-mail below from Cummins and comment.
Thanks,
Marty

From: Yolanda Velasquez [mailto:yolanda.velasquez@co.hidalgo.tx.us]
Sent: Thursday, November 01, 2012 11:51 AM
To: 'Martha Salazar'
Cc: matilde.faz@co.hidalgo.tx.us; 'Darlene Betancourt'
Subject: RE: page 3 of Cummins Agreement

Marty,

In regards to Cummins Agreement which Tax Office have requisitions pending Purchase Order, I received the following letter stating that it will serve as an Addendum to the Cummins Contract being that they are unable to make changes to their "Preventative Maintenance Inspection Agreement (PMIA)". Please forward to legal for review/comment.

Thank you

Yolanda Z. Velasquez, Buyer III
Hidalgo County - Purchasing Department
2802 S. Business Hwy. 281
Edinburg, TX 78539
Tel (956) 318-2626 x 4881
Fax (956) 318-2629
email: yolanda.velasquez@co.hidalgo.tx.us

"...I can do all things through Christ our Lord who strengthens me..." Philippians 4:13

October 3, 2012

This is in reference to the changes which were requested by Hidalgo County on the preventative maintenance contract with Cummins Allison Corp. This letter will serve as an addendum to the contract, and will be in effect for the 2012 – 2013 renewal. The following amendments are herein established on the contract.

SECTION 6

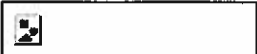
(2) The term of this agreement shall be for one (1) year commencing on the date of acceptance by Cummins Allison Corp. and continuing until one (1) year thereafter or until terminated.

(4) Notwithstanding anything to the contrary herein, customer may terminate this agreement without cause on thirty (30) days notice to Cummins Allison Corp.

Paul Villanueva
Service Manager

9330 Corporate Dr.
Selma, Tx. 78154
villanuevap@cumminsallison.com
O: 210-651-8200
F: 210-651-8282

CA CUMMINS
ALLISON



SECTION 3 - PARTS COVERAGE

1. This agreement includes all parts indicated under the applicable paragraph(s) identified in the Coverage Code column above and described in Section 4-Specific Product Coverage, which can be installed without the use of shop facilities and on user's premises. It does not include supplies or consumable parts excluded under Section 4 Specific Product Coverage.
2. When, in C-A opinion, a shop reconditioning is necessary and on-site repair and parts replacement cannot keep the machine(s) in satisfactory operating condition, C-A will submit a cost estimate. Such work (both parts and labor), if authorized by the customer, will be in addition to the service contract charges.

SECTION 4 - SPECIFIC PRODUCT COVERAGE

This agreement and associated parts coverage applies to the machine part number and serial number corresponding to the Coverage Code(s) and location/s as recorded on the front of this agreement.

CODE 1 Perforators - All parts excluding die blocks.

CODE 2 Imprinters, Signers and Endorsing Equipment - All parts excluding: signature and endorsing dies; PROMS, ink and ink rollers; and rubber faced rollers.

CODE 3 Burstlers and Decollators - All parts excluding roll cleaner or other supplies.

Paper Shredders - Excludes plastic bags and lubricating oil.

- Does not include parts or labor necessitated by excess use. This is defined as exceeding 150 hours of operation per month.

- Does not include parts or labor necessitated by misuse. This includes, but is not limited to, continuous shredding of material other than paper products, credit cards, staples or occasional one inch paper clips.
Note: High Security Cross Cut Shredders are "paper only" shredders. Unacceptable material would include, but not limited to, microfilm, microfiche, jumbo paper clips, brass fasteners, binder clips, or other metals objects.

CODE 4 New Machine Coverage - Shredders

- Signed within 90-day labor warranty period.

- Full parts and labor coverage on customer premises or Cummins-Allison local service facility (supersedes Section 3, Paragraph 2). There may be a charge for labor at 50% of the local Cummins-Allison Service Branch labor rate for extensive repairs (exceeding two (2) hours) on High Security Shredders and large, high volume shredders (208, 220, 460 volt units) that can not be removed from the customer's premises

CODE 4A Strip Cut Shredders - Cutters become consumable, chargeable parts after the five (5) year warranty.

CODE 4B Particle Cut Shredders - Cutters and defectors become consumable, chargeable parts after the three (3) year warranty.

CODE 4C High Security Cross Cut Shredders - Cutters and defectors become consumable, chargeable parts after the one (1) year warranty

CODE 5 Existing Machine Coverage - All Shredder Models

- Signed after the 90 day labor warranty period.

- Limited parts and labor coverage. Does not include cutters, combers, separators, defectors, spacers or cutter shafts except where warranties apply. Also refer to Section 3 Paragraph 2.

CODE 6 MICR Encoders - All parts covered excluding Printer Paper, Printer Ribbons and MICR Ribbons.

CODE 7 JetCount Currency Counters - All models. All parts covered excluding roll cleaner, compressed air, carrying case, imprinting dies and ink rollers.

CODE 8 JetScan Currency Scanners - All models. All parts covered excluding roll cleaner, compressed air, carrying case.

CODE 9A JetCash Currency Dispensers - All parts covered excluding picker module assemblies, stacker module assemblies, transport assemblies, currency cassettes and software license fees.

CODE 9B JetCash Currency Dispensers Extended Coverage- All parts covered excluding currency cassettes, and software license fees

CODE 10A JetSort Coin Sorters - All Model 1000, 2000, 3500, 4000 Series includes Sort Disk coverage for five years from install date, while under PM/A. Excludes Sort Pads, ribbons, and printer paper.

All 5000/6000 Series: Excludes Sort Disk (unless entering into Sort Disk coverage PM/A), Sort Pads, ribbons and printer paper.

CODE 10B JetSort Coin Sorters - All Models-No Parts Coverage.

Code 10C JetSort Coin Sorters - Self-Service Models (0000 Series (Models 6580-6599) All parts including Sort Disk for five years from install date and Sort Pads, Excludes supply items such as ribbons & printer paper.

I have read and agree to these terms. Buyer's Initials: _____ Date: _____

