



Purchasing Department

10/31/18

Williamson County Commissioners Court

Re: Sole Source recommendation for Mailguard

Dear County Judge and Commissioners,

Recently our Williamson County Sheriff's Office made a request for a contract with Smart Communications for a product and service known as Mailguard. This action required qualification as a **sole source purchase of proprietary postal mail elimination package which eliminates contraband within a correctional facility. These services are supplied only by Smart Communications who is the owner, and the only provider of this service.**

After reviewing all documentation requested and submitted, **I recommend qualifying this request as a sole source purchase and exempting these goods from competitive bidding requirements per Texas Local Government Code sections 262.003 (a) and 262.024 (a) (7),**

The process has included the following:

- Public posting of an RFI in BidSync for 14 days, with zero (0) responses received from another competitor.
- A signed Sole Source Justification Request from Robert Chody, Williamson County Sheriff
- A signed letter of justification from the supplier, establishing why their product / service is only available from their company
- A notarized Sole Source Affidavit completed by the supplier
- A price quote of requested items/services and amendment

The term of this Sole Source exemption will be effective for 36 months from the date of approval.

If you have any questions or concerns, please contact me at any time.



Sincerely,

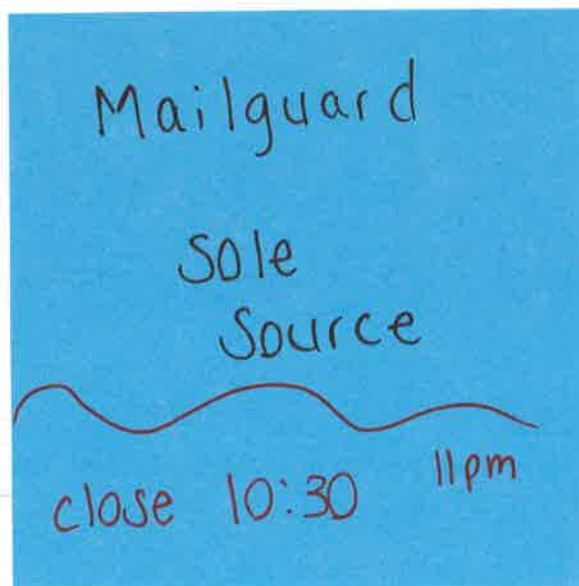
Randy Barker
Purchasing Agent/Director
Williamson County Purchasing Department

[Vendor view of bid](#)

[Chat](#) | [Description](#)

Bid #SOS-1901 - Intent To Deem Smart Communications As The Sole Source Provider Of Mailguard  

Time Left	closed	# of offers	0
Bid Started	Oct 16, 2018 9:17:36 AM CDT	Notifications	Report (Bidder Activity)
Bid Ended	This bid closed on Oct 30, 2018 11:00:00 AM CDT	# of suppliers viewed	23  (View)
Agency Information	Williamson County, Texas, TX (view agency's bids)	Q & A	Questions & Answers
Department	Purchasing (view department's bids)		
Bid Classifications	Classification Codes		
Bid Regions	Regions		
Bid Contact	see contact information		
Delivery Location	One or more of the following locations Williamson County, Texas No Location Specified		
	Qty 1		
	Expected Expenditure n/a		
View Rules	Click here to change the rules for this bid.		
Bid Packet	 Packet for Bid SOS-1901 [download]		
Best and Final Offer:	Create		



[Approval](#)

View Approval Flow [View Approval Flow](#)
Approval Status [Approved](#)

[Description](#)

Bid Number	SOS-1901
Title	Please attach all supporting documentation to this line.
Contract Duration	One Time Purchase
Budgeted Amount	\$0.00 (change)
Bid Comments	Williamson County, Texas intends to award a sole-source contract with Smart Communications for the following item(s): Mailguard. <u>THIS IS NOT A REQUEST FOR COMPETITIVE PROPOSALS AND A SOLICITATION WILL NOT BE ISSUED.</u> Interested parties must show clear and compelling evidence of competitive equivalency in order for alternative goods or services to be considered. Williamson County will review any information collected through this RFI to determine if offers of any equivalent goods or services meet the needs of the County. If it is concluded that additional suppliers of equivalent goods or services do exist, then a formal solicitation may follow. If no affirmative responses are received by 11:00 AM on Oct 30th, 2018 showing clear and compelling evidence of competitive equivalency to the items described herein, an award will be made without further notice. Oral communications are not acceptable in response to this notice.
Description	Please attach all supporting documentation to this line.

Questions? Contact a BidSync representative: 800-990-9339 or email: support@bidsync.com

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Williamson County Purchasing Department
901 South Austin Avenue
Georgetown, Texas 78626
(512) 943-3553
www.wilco.org/purchasing
purchase@wilco.org

Sole Source Justification Request

Definition of a Sole Source Purchase

Sole Source Item – goods and/or services which can only be obtained from ONLY ONE source, including:

- Items for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies
- Films, manuscripts, or books
- Electric power, gas, water, and other utility services,
- Captive replacement parts or components for equipment which there is no commercially available substitute, and which can be obtained only from the manufacturer and/or manufacturer's distributor; item where compatibility is the overriding consideration, such as computer operating software enhancements for an existing system, continuation of an existing contract when work is so closely related to that of the uncompleted basic contract that it would not be feasible to consider another potential contractor.

This Sole Source justification requires additional documentation and requirements as listed below. **One of these steps may require placing a public notice in BidSync for 14 days, in order to allow any possible competitors to come forward with equivalent goods or services.** This step will be completed by the Purchasing Team that supports your office or county department after all required documents have been submitted. In addition, **all Sole Source Justifications must be approved in Commissioners Court.**

Required Documentation that must accompany this request before this purchase can be considered (any missing documentation will result in delays). *Check all included documents:*

- ☒ This request form completed and signed
- ☒ A written quote from the supplier, listing the goods, services and pricing
- ☒ Letter of justification from the supplier (on company letterhead and signed by an authorized representative) establishing why they are the only Sole Source provider of the service or item needed.
- ☒ Notarized Sole Source affidavit completed by the supplier
- ☒ Signed letter of recommendation from the Elected Official or County Department Head. Must provide a detailed written explanation as to why competitively bidding the product or service would be impracticable and that the cost charged by the supplier is reasonable and customary.

- Need agreements Signed

Requestor Name and County Office/Department: Brian Loyd, Sheriff's Office

Requestor Title and Phone Number: Commander
(512) 943-1691

Requested Single Sole Source Supplier:

Company Name: Smart Communications
Contact Name: Rob Degelman
Address: 10491 72nd Street
City, State, Zip: Seminole, FL 33777
Phone Number: (941) 704-7448
Email: rob.deglman@smartcommunication.us
Website: SmartCommunications.us

Is the recommended supplier the manufacturer? Yes? No?

Does the manufacturer sell the item(s) through distributors? Yes? No?

Description of the Product or Service: (If additional space is needed, include in a separate page)
Describe the full scope of work, including installation if required; items should include brand, model and part number if applicable.

Smart Communications has a product called MailGuard for which they hold the patent on a proprietary system for handling mail for distribution to inmates housed within a correctional facility. Mail is sent to a central depository, where it is processed and processed for contraband. The mail is then scanned and transmitted to an inmates account for their viewing. The scanned mail is searched for keywords that would prompt an employee of the correctional facility to halt the delivery of the mail to the inmate, for instance if there were verbiage contained in a letter that spoke about escape plans, narcotics delivery or any other serious crime that would be of concern to a correctional facility.

Smart Communications would need to install kiosks in the housing areas for the inmates as well installing cabling throughout the facility. Smart Communications system is stand alone and does not need to be integrated with the current IT cabling in the facility.

Schedule: *Identify the date items are needed to be delivered, or month work is to be performed. Please be specific and do not use "ASAP":* The Smart Communications system needs to be installed and active by December 15, 2018

Estimated Cost: \$⁰

SOLE SOURCE RATIONALE

Complete the following checklist:

The requested supplier is the only source of required item(s) or service(s) because:

Check all that apply:

- ☒ The required item or service is proprietary to the supplier
- ☒ The recommended supplier holds the patent on the requested item(s)
- ☒ The recommended supplier is the only supplier capable of performing the requested service
- ☐ **A specific item is needed:**
 - ☐ To be compatible or interchangeable with existing hardware
 - ☐ As a spare or replacement hardware
 - ☐ For the repair or modification of existing hardware
 - ☐ For technical evaluation or testing
- ☒ **Have there been any prior attempts to obtain competitive bids or proposals for the items or services that failed?** If so, please list and describe such attempts: No

- ☐ **There is a substantial risk in selecting another product or service provider.** If so, please describe: _____

- ☒ **It is not possible to obtain competitive bids for consideration.** If so, why: It is not possible to obtain competitive bids for the consideration because the system offered by Smart Communications is proprietary and there are no other companies in the US providing their technology.

- ☒ **Are there any other companies who can provide the services or needed items?** If so, please list and provide explanation of why they were unable to meet the requirements: No

- ☒ List any other sources, suppliers, products or service providers that you reviewed in your selection process: Global Tel-Link Corporation, Legacy Inmate Communications, Correct Solutions Group, CTC Communications

- ☒ List all research methods that you reviewed in your selection process (i.e.: specific internet searches, trade publications, references, etc.): Internet searches were conducted as well as research at a trade show for correctional products and review of trade publications.

ACKNOWLEDGEMENT

- ☒ I affirm and acknowledge Williamson County's requirements, justification and criteria for Sole Source purchases. I have gathered the required technical information, provided all required documentation, have made a concerted effort to review comparable / equal equipment or services to the best of my ability, and further affirm that there is no conflict of interest in my recommendation of the selected item(s), service(s) or supplier.
- ☒ I also acknowledge and understand that I may be subject to criminal prosecution for the willful falsification of information in this document. I, by the act of signing or typing my name below, hereby certify under penalty of perjury, under the laws of the State of Texas, the foregoing is true and correct.

Date: July 15, 2018

Signature*: Commander Brian Loyd

** By typing your name, this is equivalent to a legal signature*

NOTE: After a passage of time, an item or service may no longer qualify as a sole source purchase due to other similar items or services becoming available from other suppliers. Thus, all prior sole source determinations must be reapproved by the Williamson County Purchasing Department following completion of a new Sole Source Justification Request Process and satisfactory completion of such process must be noted on requisitions and purchase orders. The sole source term is generally aligned with the contract term. In certain cases, the Purchasing Agent may determine that the 14-day public posting in BidSync is not necessary. This depends on the circumstance of the particular item/service and the type of sole source.



Smart
Communications

Sole Source Verification and Single Supplier Documentation

March 1, 2018

To Whom It May Concern:

Smart Communications Holding, Inc. and its wholly-owned subsidiaries ("Smart Holdings") provides correctional facilities with a propriety postal mail elimination package system known as MailGuard®, MailGuardLegal™ and Smartjailmail.com.

This letter is to confirm that the Mailguard®, MailGuardLegal™ and SmartJailMail.com postal mail elimination package is a sole source product, provided exclusively by Smart Communications Holding, Inc. and its wholly-owned subsidiaries.

MailGuard® is a method and system for eliminating contraband in routine postal mail. Postal mail is processed (offsite) at our state of the art central processing facility to create electronic versions of the mail with information about the sender, recipient, mail contents, and institution. The processed mail is easily reviewable by jail staff through our electronic messaging system known as Smartjailmail.com and is made available to the intended inmate through a multitude of electronic delivery mechanisms, including the SmartKiosk™, SmartTablets™, and a printable electronic file transfer, or combination of, tailored to the specific needs of correctional facilities. The MailGuard® system eliminates manual labor associated with postal mail and eliminates contraband from entering the correctional facility through the postal mail.

This method and system is the subject of United States Patent Application Publication Number US 2016/0337360 A1 and claims the benefit and priority of earlier-filed provisional patent applications dating back to May 12, 2015. The Patent Application is Pending. Further, MailGuard® has been registered as a trademark by the United States Patent and Trademark Office. The method and system for mail processing was invented by Jon Logan, a Smart Holdings principal, and is owned by HLFIP Holding, Inc. ("HLFIP"). Smart Holdings is the exclusive licensee of the invention.

In addition, the Smart Holdings package includes an industry exclusive Patent Pending system and method for eliminating contraband from incoming legal mail (MailGuardLegal™). This system is compliant with all statutes and regulations regarding legal mail. This proprietary system and method of delivering legal mail to inmates ensures the elimination of contraband in legal mail. This system reduces administrative costs for the correctional facility, while delivering legal mail viewable by the (inmate only) completely contraband free.

This method and system of legal mail delivery was also invented by Jon Logan and is the subject of an unpublished provisional patent application being prosecuted by HLFIP Holding, Inc. Smart Holdings is the exclusive licensee of the invention.

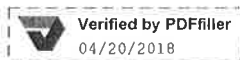
Smart Communications Holding, Inc. and its wholly-owned subsidiaries are the only supplier that has the right to sell or use the Smartjailmail.com MailGuard® and MailGuardLegal™ systems (and the inventions described above). There are no agents or dealers authorized to represent the Smart Holdings package. Smart Holdings affirms that after 3 years of corrections industry research, it is unaware of any other products/services that are available for sale today, that would serve the same purpose or function of the package provided by Smart Holdings, including the patent pending methods and systems. We encourage you to also perform your own research.

Disclaimer Notice

Whoever makes, uses, offers to sell, or sells a patented invention, including government entities, can be held liable for patent infringement under the United States patent laws. In addition, whoever actively induces infringement of the patents can be held liable for patent infringement. HLFIP Holding, Inc., as the owner, or Smart Communications Holding, Inc. and its wholly-owned subsidiaries, as the exclusive licensee, intends to fully protect any issued patents through appropriate infringement actions and emergency injunctions.

Please feel free to contact me if you would like any additional information.

Sincerely,



Jon Logan
Owner
Smart Communications Holding, Inc.
Ph.517-896-1822
Jon.logan@smartjailmail.com
4522 w North B St. Tampa Fl 33609



Williamson County Purchasing Department
901 South Austin Avenue
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(512) 943-3553
www.wilco.org/purchasing
purchase@wilco.org

NOTARIZED SOLE-SOURCE PURCHASE AFFIDAVIT

STATE OF TEXAS
COUNTY OF WILLIAMSON

KNOW ALL MEN BY THESE PRESENTS THAT:

Before me, the undersigned authority duly authorized to take acknowledgments and administer oaths, on this day personally appeared JAMES P. LOGAN, who after being duly sworn on oath stated the following:

My name is JAMES P. LOGAN. My title is PRESIDENT.
I am aware that the Williamson County Purchasing Department is required to comply with competitive bidding requirements of Chapter 262 of the Texas Local Government Code. I am aware that the statutory competitive bidding provisions do not apply to the purchase of an item that can be obtained from only one source. See, Texas Local Government Code section 262.003.

Sole-source items include:

Items for which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies, films, manuscripts, or books, electric power, gas, water, and other utility services, and captive replacement parts or components for equipment.

I have represented to the Purchasing Department of Williamson County and I hereby warrant that as of the date below, I am the sole-source supplier of the following item: MALIBUARD

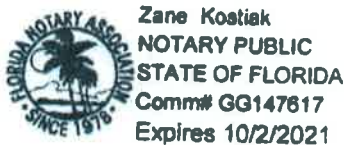
I am the sole-source supplier of this item because: Patent Binding Product. I agree that if I ever cease being the sole-source supplier of this item, I shall immediately make a full disclosure in writing to the Williamson County Purchasing Department of all relevant facts and circumstances.

IN WITNESS WHEREOF, the undersigned has executed this Affidavit on the 20 day of

June, 2018.
[Signature]

JAMES P. LOGAN President
[Printed Name] [Title]

SWORN TO AND SUBSCRIBED before me on June 20, 2018 by
James Logan
[Printed Name]



[Signature]
[Signature] Notary Public
State of Florida
My Commission expires on 10/2/21



Tim Ryle
Chief Deputy

Robert Chody
WILLIAMSON COUNTY SHERIFF

508 South Rock Street
Georgetown, Texas 78626
Phone (512) 943-1300 * Fax (512) 943-1393

Roy Fikac
Asst Chief Deputy- Law Enforcement

Randolph Doyer
Asst Chief Deputy - Corrections

To: Williamson County Purchasing
From: Sheriff Robert Chody
Subject: Sole Source Provider-Smart Communications, aka: Mailguard
Date: July 20, 2018

I am writing this in support and recommendation of procuring the services of Smart Communications which provides a method and service known as Mailguard. Mailguard is a proprietary postal mail elimination package which eliminates contraband within a correctional facility. Postal mail is processed off site at a central processing facility to create electronic versions of the mail with information about the sender, recipient, mail contents, and institution. The mail is easily reviewable by jail staff through electronic messaging and is made available to the intended inmate through various electronic delivery systems, i.e.: kiosks, and tablets. Mailguard eliminates manual labor associated with postal mail and eliminates contraband from entering the facility through postal mail. This service also provides for an excellent investigative tool for criminal investigators whereby they will be afforded the ability to establish when, where, how and who sent correspondence to a particular inmate or inmates thus establishing a social connection between senders and recipients.

I truly believe that the Mailguard system will be of great assistance to the Williamson County Jail and will enhance the safety and security of the facility as well as enhance the receipt and distribution of inmate mail.

As to competitively bidding for this service, this is a proprietary service and designed solely for corrections facilities. This service is unique as it is designed to receive mail at a central processing center and disseminate the correspondence electronically, so that the mail itself is stored on a secure server, preserving it's evidentiary value for future litigation and transference to the inmates housed within the facility.