



Statutory Digitization, Backlog, New Documents,
Redaction, Emerging Technologies
Brevard County, FL

impacts to your business environment, AMCAD offers Mr. Ryan Schoenfeld as Project Executive Sponsor. He brings extensive expertise in the delivery of conversion and indexing services and unique understanding of customer's needs. Mr. Schoenfeld will work at the executive level with Brevard County helping to guide the project to a successful conclusion.

AMCAD will assign Ms. Mary Batey as the Program Director and Mr. Andrew Green as the Project Manager. Ms. Batey has managed AMCAD's highest profile projects over the past six years. She is responsible for putting together production procedures for customer projects and timelines; determining staffing needs for job completion and resource requirements; and working with the Project Manager to ensure customer satisfaction.

The AMCAD Project Manager, reporting to the Program Director, will oversee all aspects of project delivery and will also serve as the single point of contact for the County. Mr. Green will coordinate all aspects of the project and will be responsible for the timeliness, staffing, regular reporting, risk management, communication management and quality control of AMCAD's deliverables.

MARY BATEY

EDUCATION:

University of Iowa, Iowa City, IA

- Bachelor of Arts in Communication Studies and Journalism, May 2005
- GPA 3.3/4.0
- Honors: Phi Sigma Theta national honor society, Lambda Pi Eta national communication studies honor society, and Mortar Board, a national college senior honor society

KEY QUALIFICATIONS:

Experience managing government and private sector document conversion projects. Responsible for overseeing aspects of planning, coordinating, and completing AMCAD on-site and off-site conversion solutions. Daily analyze business and systems models along with profit and loss. Identify problems and courses of action.

RELATED PROFESSIONAL EXPERIENCE:

AMCAD DIGITAL CONVERSION

Program

Director

2005-Present

- Responsible for county government and private sector, commercial digital conversion work. Liaison between the customer and production facility.



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Knowledge of government documents, attention to detail, and strong communication skills.

- Responsible for putting together production procedures for customer projects, timelines, determining staffing needs for completion of job, resource requirements, and ensuring customer satisfaction.
- Supervision and management of project management team and provides second level of escalation for customer issues. Assigns new projects/customers to project managers. Assists with monthly and quarterly financial projections.
- 2007 Associate of the Year
- Project Highlights
 - *Texas Department of State Health Services* - \$9,000,000 onsite project scanning all birth and death records from 1903-present in Texas. Challenges included maintaining onsite staffing levels and delicate nature of records.
 - *Fourth Judicial District of Minnesota* - \$5,000,000 offsite project which included prepping, scanning, and indexing of 2,000,000 records per month for multiple court divisions.
- Other customers include Administrative Offices of the Pennsylvania Courts, Atlantic County NJ, Burlington County NJ, Camden County NJ, City of Suffolk VA, Collin County TX, Cook County IL, Dallas County TX, Elkhart County IN, Hampden County MA, Hennepin County MN, LaPorte County IN, Loudoun County VA, Milwaukee County WI, Norfolk County MA, Outagamie County WI, Philip Morris USA (Altria Client Services), Porter County IN, Randolph County NC, St Joseph County IN, Sussex County NJ, Tyler Technologies, US Fish & Wildlife Service, and Walla Walla County WA.

TECHNICAL SKILLS:

CorelMS Inventory Tracking, Web Timesheets, Digitech Imaging Applications, MS Office Suite 2003 & 2007 including Publisher and Project.

ANDREW GREEN

EDUCATION:

December 2007

Western Illinois University, Moline, Illinois – Bachelor of
Business in Management

KEY QUALIFICATIONS AND EXPERIENCE:

- Excellent verbal and written communication skills, effective problem solving skills, first-rate organization and coordination skills, and strong decision making skills.



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- o Experience managing government and private sector document conversion projects
- o Experience supervising more than 75 employees as well as scheduling, training, and evaluation
- o Responsible for overseeing aspects of planning, coordinating, and completing AmCad on-site and off-site conversion solutions
- o Daily analyze business and systems models along with profitability
- o Ability to identify problems and best courses of action to resolve said problems
- o Ability to foster project collaboration and constructive relationships with clients and internal technical teams.

TECHNICAL SKILLS AND PROFESSIONAL EDUCATION:

Windows 98/NT/XP/2000/Vista/7; MS Suite; Intuit QuickBooks; Internet/Email

RELATED PROFESSIONAL EXPERIENCE:

AMCAD, LLC. Account Manager Herndon, VA

October 2011 - Present

- o Work closely with clients and AMCAD development team to manage deliverables and maintain implementation project schedules.
- o Develop and maintain written documentation, such as users, operational, and administration manuals for American Cadastre Proprietary software projects. Maintain update release notes. Participate in building and maintaining internal Knowledge Base documentation.
- o Oversee first-tier level of support for all clients.

AMCAD Digital Conversion Program Manager Rock Island, IL

May 2009 – September 2011

- o Responsible for county government and other digital conversion work with contracts valued over \$1,000,000. Liaison between the customer and production facility.
- o Responsible for putting together production procedures for customer projects, timelines, determining staffing needs for completion of job, resource requirements, and ensuring customer satisfaction.
- o Customers include Army Sustainment Command, John Deere, Hennepin County MN Recorder's Office, Morton Buildings, Duke University, Genesis Hospitals, Carleton Life Support Systems Inc, St. Luke's Hospital Cedar Rapids IA, Maricopa County AZ Recorder's Office, Tompkins County NY Recorder's Office, Tioga County NY Recorder's Office, Randolph County NC Recorder's Office, Milwaukee County WI Recorder's Office, Henry County IL, Sussex County NJ Recorder's Office, and St. Ambrose University.

AMCAD Digital Conversion Department Supervisor
January 2009 – May 2010

Rock Island, IL



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- o Used ISO 9001 methodology to ensure quality work within the department. Added to continuous improvement of ISO 9001 by suggesting improvements to training programs or the manufacturing process.
- o Analyzed and coordinated a production department's personal and capital resources.
- o Monitored production processes to ensure production stayed on schedule and that teammates were meeting production benchmarks and goals performed within the department.

B. Indicate the number of years and nature of your experience on related projects.

C. Indicate the number of years and nature of the company's experience and expertise in the scanning and digital records industry.

One of the key differentiators that AMCAD brings to the County is our unique focus on land and real estate records including projects for government agencies in more than 30 states. Our complete understanding of projects of this type is unique in that we understand that these records are not merely loaded into an imaging system – the records require detailed understanding of how images relate to supporting documentation, as well as the existing index data and how they are processed and stored on the physical media for conversion.

Beyond industry expertise, it is important that we demonstrate to Brevard County our facility, resource and technology capabilities. Our Midwest Technology Center has the capacity for more than 500 seats with a corporate current server capacity of more than 100 TB. We can run three (3) shifts per day, seven (7) days per week. Today, AMCAD can process nearly two (2) million images per day through our workflow software.

1.1.1 Production Facility & Vaults

D. Detail company location that will be used to support the BREVARD COUNTY CLERK OF COURTS (Brevard County locations will receive priority preference).

The AMCAD facility has been designed from the ground up to be the premier technology center located on the high security, active Rock Island Arsenal military base. The unique location of the facility offers our customers unparalleled levels of security in ensuring the safe production and storage of media. Some highlights of the AMCAD Facility are included below.

- All employees must wear electronic identification badges (including the employees' picture and name) at all times.
- Entrance to the base facility is limited by badged employees only.
- For entrance to the AMCAD facility, individuals must first pass through and be approved by base security.
- Any visitor entering the secure, gated base must go to a special secure area and register with base security.



- All visitors must be pre-registered with base security for access.
- All visitors are chaperoned for their duration at the AMCAD Technology Center.
- All non-US citizens are escorted by approved chaperons at all times.
- Badges must be electronically encoded for access to the AMCAD facility.
- All entrances to the base have 24 x 7/365 manned security. There is no general access to the gated area or to the AMCAD facility. This security includes all parking facilities near the production facility.
- Entrance to the AMCAD facility does not necessarily include entrance to the AMCAD production area. The production area is secure within the AMCAD Facility.
- Because of our unique location on an active military base, the building structure of the AMCAD Facility exceeds general building standards for security and natural disasters including reinforced bomb resistant windows and doors.
- The AMCAD Facility through the Rock Island Arsenal has multiple redundant sources of power. This provides a true backup, redundant power supply in case of main power loss. 80% of the facility's power is generated from a hydroelectric power plant on the Mississippi River. The Arsenal is not dependent on a single outside commercial power source.
- Fire and emergency services are located four (4) blocks from the actual AMCAD Production Facility.
- Non-disclosure and Confidentiality Agreements are signed by all AMCAD employees.

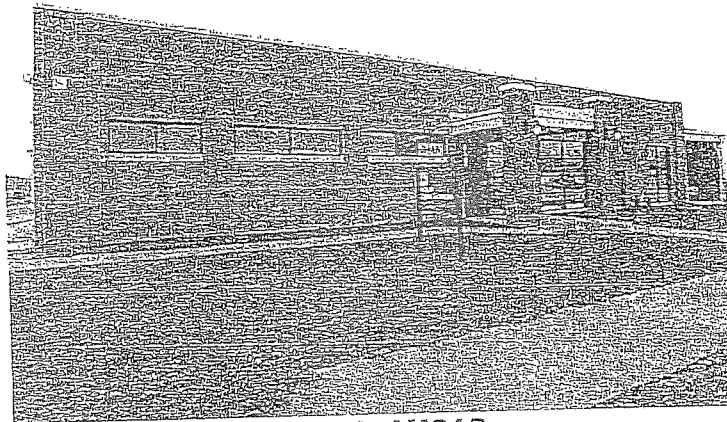


Figure 2: AMCAD

AMCAD maintains three types of storage space in our records center: general warehouse storage, one 2-hour vault, and four 4-hour Firelock vaults.



All Brevard records not currently in use on the production floor will be securely stored in our 50,000 cubic foot NFPA 232, 125-2 hour media vault. The vault possesses a state-of-the-art FM 200 fire suppression system. It is literally a building within a building.

All inventories in the vault are maintained and tracked by the company's Archivist and Librarian. The vault is not part of the production area of the facility and is used exclusively for the secure storage of our customers' data and media. Features of the vault include the following:

- Temperature Controlled – The vault has minimal fluctuation (temperature + 5°F; relative humidity + 6%): Temperature: 66°F (19°C) Maximum 32°F (0°C) minimum.
- Humidity Controlled – Relative Humidity: 40% maximum 20% minimum.
- Fire Protection:
 - FM200 – State-of-the-art Chemical Dry Fire Suppression System.
 - 125/2 rated Vault – Temperature within vault cannot exceed 125 degrees in a two hour fire.
 - Rock Island Arsenal Fire Department – four blocks from the AMCAD Facility.
- Security – Secure code protected entry.

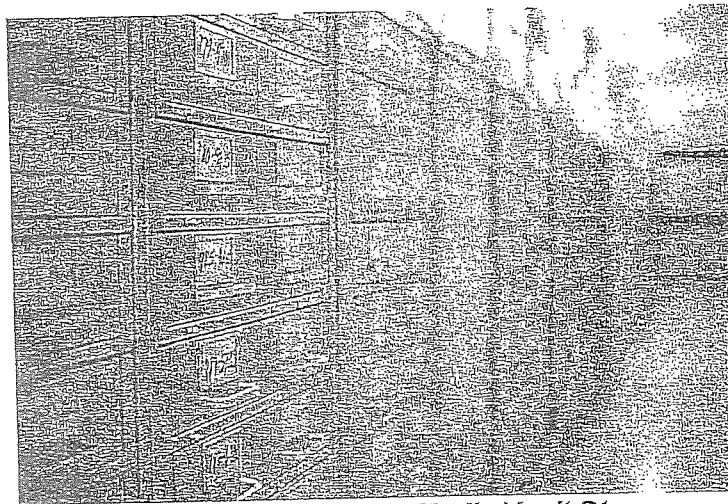


Figure 3: AMCAD 2-Hour Media Vault Storage

1.1.2 Commitment

E. Describe commitment and procedures in delivering service to your clients.

As one of the fastest growing companies in our industry, AMCAD has remained focused on government records. Our investment back into the company is not only a demonstration of our commitment to our customers, but a commitment to our industry. AMCAD has invested millions of dollars into infrastructure and resources, ensuring the support of the company's growth and ability to respond quickly to customer needs and



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requirements. With more than 200 employees currently dedicated to the government sector, AMCAD produces quality results faster than any other vendor in the industry.

Of course, possessing a large employee pool, high-tech production facilities and extensive expertise does not mean anything if a company cannot deliver successful solutions and services for customers. AMCAD has the resources and the track record to complete work for Brevard County. For example, we successfully completed one of the largest real property public records conversion projects in the industry for Maricopa County, Arizona, Recorder. In less than six (6) months, AMCAD scanned more than 65 million pages for the County from a variety of media. As a follow up project, AMCAD won through competitive bid a contract to manually redact social security numbers and other highly sensitive data from more than 110 million images. In the first eight weeks of the Maricopa County Recorder's Redaction Project, AMCAD processed more than 50 million images. The project required a true double manual quality assurance process, with the result that every image was manually reviewed by a unique individual a minimum of two times. The total project included the processing of more than 110 million images and the quality assurance of more than 300 million images. The County performed their own audit and discovered the project exceed all quality requirements, with an overall accuracy exceeding 99.9979%.

AMCAD's core suite of products fully automates every aspect of the daily and long-term operations of public records officials. AMCAD is a full service company meeting 100% of the needs and requirements of our government partners, including a complete methodology to efficiently and successfully implement any project. We are enthusiastic and ready to complete the Clerk of Court's project in a timely, cost-effective manner with the highest level of quality available in the industry.

1.1.3 Security

F. Describe your procedures during any given emergency that will enable you to carry on the business contained in this ITN on behalf of BREVARD COUNTY CLERK OF COURTS.

The document services industry has a wide ranging idea of what document security entails. The most important step for any customer is the investigation of the possible vendors. This entails visiting the production facility, qualifying the information technology infrastructure and data backup procedures as well as employee screening. By inspecting the security, employee background checks and the data security plans of a vendor's main production facility, you will better be able to evaluate the security procedures they put in place for onsite projects. If a vendor does not follow the necessary steps to protect your documents at their facility how will they know how to protect your documents at your facility?

AMCAD has detailed its document maintenance and security methodologies below for your convenience. We have provided an overview of not only the technical/virtual



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document security, but also provided a detailed overview of the physical media maintenance and security provided. AMCAD maintenance and security methodologies are unparalleled in this industry.

Project Auditing

AMCAD has developed and implemented a customized process to track all source media regardless of type and digital images throughout AMCAD conversion process. The process compares data generated at each production step for continuity and completeness. As an example – the number of document pages indexed must equal the number of document pages generated during the scan process. The final number of document pages copied to the delivery media must match the number of document pages generated at scanning and agreed throughout each step of the production process.

Diligent use of the AMCAD process combined with immediate investigation of exception reports ensures the customer that 100 percent of the requested information has been captured and delivered.

AMCAD's Source File Security

AMCAD employs the following practices to ensure the maximum physical security for contract files:

- Batch Recycling – only documents in production are out of the customer's control.
- Diligent use of AMCAD double bar-coding technology and customized database tracks the physical movement of the source media throughout the conversion process.

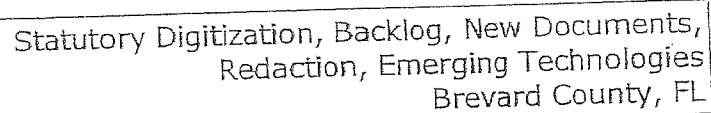
AMCAD's Network Security

AMCAD employs the following procedures to provide the maximum network security for our customer's records:

- Network gateway protected firewall utilizing Stateful Packet Inspection.
- Internal Network configured as logical sub-networks (subnets).
- All subnets interconnected using Layer 3 switching.
- Microsoft Active Directory used to manage users and enforce security Group Policies.
- AMCAD's Virtual File Security and Disaster Recovery

AMCAD employs a suite of hardware design and industry process standards to minimize any loss of digital data:

- All data is stored in an EMC Storage Area Network (SAN).



- [illegible]

Figure 4: Barcode Tracking

AMCAD is very consciences of the importance of the solutions and services we provide for our government customers. As the majority of our customers are state and local government entities, we understand the uniqueness and the value of your archive. As a result, our facility was built from the ground up to provide not only a state-of-the-art production environment, but also to exceed all national standards for production, insuring the confidentiality of data, secure storage and disaster backup and recovery. Our facility is not simply warehouse or office space, it was designed in every aspect as a secure facility.

1.1.4 References

AMCAD has literally hundreds of current and past clients in the document services industry. With reference to Brevard County, we have successfully completed some of



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the largest land and court records conversion, indexing and redaction projects in the United States. We have successfully managed the conversion, indexing and redaction of more than 2 billion images. Our experience is unparalleled in the document services space and we are one of the few companies in the industry that provides a full breath of solutions without the use of subcontracts. AMCAD's focus has always been the government space including customers at the federal, state, county and city levels. Our current government customers span the United States and include hundreds of government agencies with a focus on land, vital and court records. A sampling of our customers include Maricopa County, Arizona Clerk of the Superior Court; Maricopa County, Arizona Recorder; Hennepin County, Minnesota Recorder; City of Virginia Beach, Virginia Clerk of the Circuit Court; Ventura County, California; Clerk and Recorder; 4th Judicial District Hennepin County, Minnesota; State of Texas Vital Statistics Unit; Jefferson County, Alabama Probate Judge (Recorder); Cook County, Illinois Recorder; and many others. In addition, AMCAD has many customers in the commercial space including large defense contractors, manufacturing and healthcare. Because we are a privately held company, individual client requests, and the practicality in listing our full customer base we have provided detailed references in the following pages for you demonstrating our capabilities in successfully completing your project. If the County would like more references we are happy to provide them to you confidentially at your request.

1.2 CURRENT REFERENCES

Please provide contact information for at least three existing clients that BREVARD COUNTY CLERK OF COURTS can contact for a reference. Wherever possible, include travel industry or destination marketing clients as references. For each reference, indicate the following:

- *Contact Name and Title*
- *Contact Company Name*
- *Contact Phone Number and email address*
- *Industry of Client*
- *Service Description*
- *Length of Relationship*



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Maricopa County, Arizona

Recorder, Court Clerk & Sheriff

Dates January 2005 to Present Project Miscellaneous

Project Description

Onsite Document Conversion (January 2005 – September 2005)

In January of 2005, AMCAD was chosen through competitive procurement to convert more than 65 million images for Maricopa County, Arizona. The project included the conversion of more than 30 million images from 16mm microfilm, 20 million images from microfiche and approximately 10 million images from paper. AMCAD was chosen over every major conversion vendor in the country based on our track record, methodology, quality assurance and overall price. We were one of the few vendors to offer a single source solution to the County including conversion from microfilm, microfiche and paper books (bound and pinned).

The Maricopa County project is one of the largest, most successful projects in the United States including conversion, redaction (largest redaction project to date in the Country for public records) and micrographics. Maricopa County is the fourth largest County in the country and has now has one of the largest electronic public records archives.

The entire Maricopa County project was completed onsite in Maricopa County. The project timeframe was estimated to be approximately six months including conversion of the 65 million document images. The conversion phase of the project was completed under the allotted schedule. Additional work on the project included the indexing of approximately 5 to 6 million documents. All scanning work was performed onsite in Maricopa County. All indexing was done onshore at AMCAD.

Continued Services (December 2006 – present)

In December 2006, AMCAD was awarded two more contracts from Maricopa County, both through competitive procurement. The first project was to completely outsource the Recorder of Deeds archival microfilm process. The project includes processing, developing, quality assurance and duplication on approximately 11 million images per year (ongoing to the present time).

The second project awarded in December 2006, was to redact social security numbers from more than 85 million public records images using a double manual review process of every image by an individual with 100% quality assurance again by manual review. The entire project was completed in less than six months and represents the largest and fastest public records redaction project in the United States. Subsequently, the



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County issued AMCAD a contract amendment to redact an additional 25 million images. The entire project was completed in AMCAD's state-of-the-art production facility in Rock Island, Illinois. Maricopa County has also contracted with AMCAD to install AmRedact™ for day-forward automated redaction from their real property records.

New 2012 Project Award

AMCAD was recently awarded another project that attests to the County's assurance in AMCAD's ability to process a large number of records while maintaining some of the highest quality levels available in the document management industry. AMCAD Project Managers are currently in the Pre-Production phase of this project working with County officials to create the Project Plan that will best fit the customer's needs.

This newest project for Maricopa County is similar in scope and deals with a high number of records. AMCAD will inventory, prepare, capture, index and QA approximately 56 million images from the Circuit Clerk's Criminal, Civil and Probate records covering a span of 14 years. All work will be completed at a County facility with complete onsite inventory. Preparation will consist of inserting two levels of barcode break sheet to mark the beginning of each break. The first level will be specially printed from the inventory sheet and, when scanned, will create a new digital folder. At the same time, the value captured at the scanner will automatically fill in the folder's index value from the inventory sheet. The second level of barcodes will be inserted before each document within the folder so that each document will become its own multi-page electronic image. Records will be captured at 200DPI with comprehensive image enhancement and quality assurance steps after each phase of production and again at the end before delivery. This project illustrates AMCAD's proven track record, strong customer relationships and familiarity with projects like Brevard County's.

Volume	70+ million images
Customer Contact	Ms. Barbara Frerichs Chief Deputy 111 S. Third Avenue Phoenix, AZ 85003-2281 (602) 506-7866 bfrerichs@risc.maricopa.gov



MINNESOTA
JUDICIAL BRANCH

Minnesota Fourth Judicial District



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<i>Dates</i>	2011 to Present	<i>Project</i>	Court Record Digitization Services
<i>Project Description</i>			
<p>AMCAD is in the process of digitizing and indexing over 5TB of data from court records for the Fourth Judicial District in Hennepin, Minnesota from our Midwest Technology Facility. Record media ranges from 3"x5" to 20"x30" paper, microfiche ledgers, receipt books and microfilm. Paper records come to AMCAD in folders stapled or clipped together, which the paper records are removed from prior to capture. Barcodes designate the beginning of each document. Records are scanned at 300 dots per inch with automatic image enhancement. Digital images are rotated and blank pages deleted.</p> <p>Civil, Probate, Mental Health, Juvenile, Criminal, Public Safety, Executive Office Support, Human Resources, Accounting and Budget document types are all assigned a manually-entered index according to each record type's specifications. Documents are keyed by six unique entries for each of the major types. Records are then run through an Optical Character Recognition (OCR) step to create fully text-searchable PDF documents for expedited electronic retrieval.</p> <p>Upon final written approval from the District, source media is securely destroyed and the images are purged completely from AMCAD's system. We have processed over 1.1 million images and 175,000 documents. We currently receive over 100 boxes per month in additional work. This project demonstrates AMCAD's ongoing experience with Court and administrative records as well as our ability to handle large-volume projects properly and efficiently.</p>			
<i>Volume</i>	102 million images		
<i>Customer Contact</i>	Mr. Dave Wiklund IT Projects Manager C-12 th Floor Government Center 300 South Sixth Street Minneapolis, MN 55487 (612) 543-1392 David.Wiklund@courts.state.mn.us		



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Texas Vital Statistics Unit (Deloitte Consulting LLP)

Texas Department of State Health Services

Dates: March 2009 to Present **Project:** Onsite Vital Records Conversion

Project Description

The Texas Vital Statistics project demonstrates AMCAD's proven project methodologies ensuring complex projects are performed with precision and accuracy. This project also demonstrates AMCAD's ability to ensure the highest level of security, both in our methodologies and the people that are assigned to carry out the project.

This project began in March 2009 at AMCAD's Austin branch. Approximately 12.7 million vital records were converted and loaded into the customer's system within the first six months alone.

Records were prepared, scanned and indexed by unique fields from AMCAD's Austin location. Birth and death records dating from 1926 to 2006 were processed. Images were indexed by unique identifiers and the final output was delivered in a format compatible with the department's vital records system. AMCAD's success with this project has resulted in additional opportunities including post-preparation and other conversion services.


Volume	26 million records
Customer Contact	Dr. Yvonne Howze Section Director, Health Information and Vital Statistics TX Department of State Health Services 1100 West 49 th Street PO Box 149347 Mail Code 7907 Austin, TX 78756 (512) 458-7437 Yvonne.howze@dshs.state.tx.us



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1.3 RECENT PAST CUSTOMER REFERENCES

Please provide contact information for at least two former clients that BREVARD COUNTY CLERK OF COURTS can contact for a reference and provide a brief explanation regarding the end of the business relationship.

 ADMINISTRATIVE OFFICE OF PENNSYLVANIA COURTS		Administrative Office of Pennsylvania Courts	
Dates		July 2010 to April 2011	Project: Onsite Paper Conversion
Project Description			
<p>Conversion services were performed for the Administrative Office of Pennsylvania Courts (AOPC). The conversion project began in July of 2010 with an AMCAD project manager traveling to Pennsylvania with all software and hardware to set up onsite operations centers in Harrisburg, Pittsburgh, and Philadelphia on a rotating schedule. Approximately 3 million paper records from three court levels in each of the three locations were converted. Pages were taken from folders, prepared with two levels of barcodes, scanned at 300 dots per inch, and keyed by docket numbers, document types, dates and other specific information. Projects at each location were staffed with local talent supervised full-time by AMCAD's project manager.</p>			
Volume		3 million images	
Customer Contact		Ralph Hunsicker Senior Projects Director 5035 Ritter Road, Suite 700 Mechanicsburg, PA 17055 (717) 795-2005 Ralph.Hunsicker@pacourts.us	



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Maricopa County, Arizona

Clerk of the Superior Court

Dates 2006

Project Onsite Case File Conversion

Project Description

AMCAD completed a large project for the Maricopa County Court Clerk in 2006. This project consisted of converting over 6 million of the Clerk's record images to digital onsite in Phoenix. Technicians prepared and scanned records at 200 dots per inch just as they would for the AOC's pages. Enhancement and QA made the electronic records straight, clear and precise.

Indexing for this project consisted of barcodes inserted during preparation separating files into separate cases and manual keying of three unique fields: Sequence Number, Case Number and Document Number. The Court Clerk required full manual entry and quality assurance on each image and index. Completed electronic records were outputted as multi-page TIFFs and loaded into the Court's system for immediate use.

Volume 6 million images

**Customer
Contact**

Mr. Mark Jensen
EDM Program Manager
620 West Jackson Street, Suite 3017
Phoenix, AZ 85003
(602) 506-3636
mjensen@cosc.maricopa.gov



Section 2 Agency Services

2.1 ADMINISTRATIVE SERVICES REQUIRED

Vendors must include a detailed analysis of administrative support and specific access that will be provided by the BREVARD COUNTY CLERK OF COURTS, its staff and facilities.

AMCAD will work closely with the assigned County Project Manager. Based on our vast experience in onsite public records conversion projects, typically AMCAD requires an interface with at least three levels of managers (note –many times these managers may be the same individuals):

- *Source Media Acquisition* – A contact with a County's representative authorized to facilitate shipping of media to our Technology Center.
- *Conversion Quality and Verification* – A contact with a County representative authorized to endorse scanning and image treatment decisions which reference source media. This manager would also be part of the statistical analysis of the project as it progressed through the conversion.
- *Uploading of Converted Data to the Image System* – A contact with a County representative and an authorized and qualified to make decisions that reference the future of the imaging system and answer questions to reference its present status.

Effective communication is vital to the success of a project. . The AMCAD Project Manager will provide direction to all project stakeholders and will have an open communication channel with the client. AMCAD will correspond with Brevard County on all project updates, issues, concerns, successes, and general status. We understand that there will be approximately 45 million backfile documents in addition to 500,000 day-forward pages per month. AMCAD is fully capable of storing and processing these volumes.

2.2 PERSONNEL EXPERIENCE

The vendor must be able to provide experienced consultants

Please find information on AMCAD's proposed project team in Section 1.1.

2.3 PERFORMANCE BOND

The vendor must agree to provide a performance bond of \$1,000,000.00.

AMCAD will comply with the requirement to provide a 1 million dollar performance bond before beginning work on this project.



2.4 WORKFLOW

AMCAD has outlined the tasks and order of the project below. The process will begin with the inventory and preparation team pulling files from the vault holding area. Each box and file will be tracked during the entire course of production with quality checks following each step. As shown below, rejected batches will be re-routed back to the previous step for resolution. Only after final approval from the Clerk of Court's office will records be checked out of AMCAD's system.

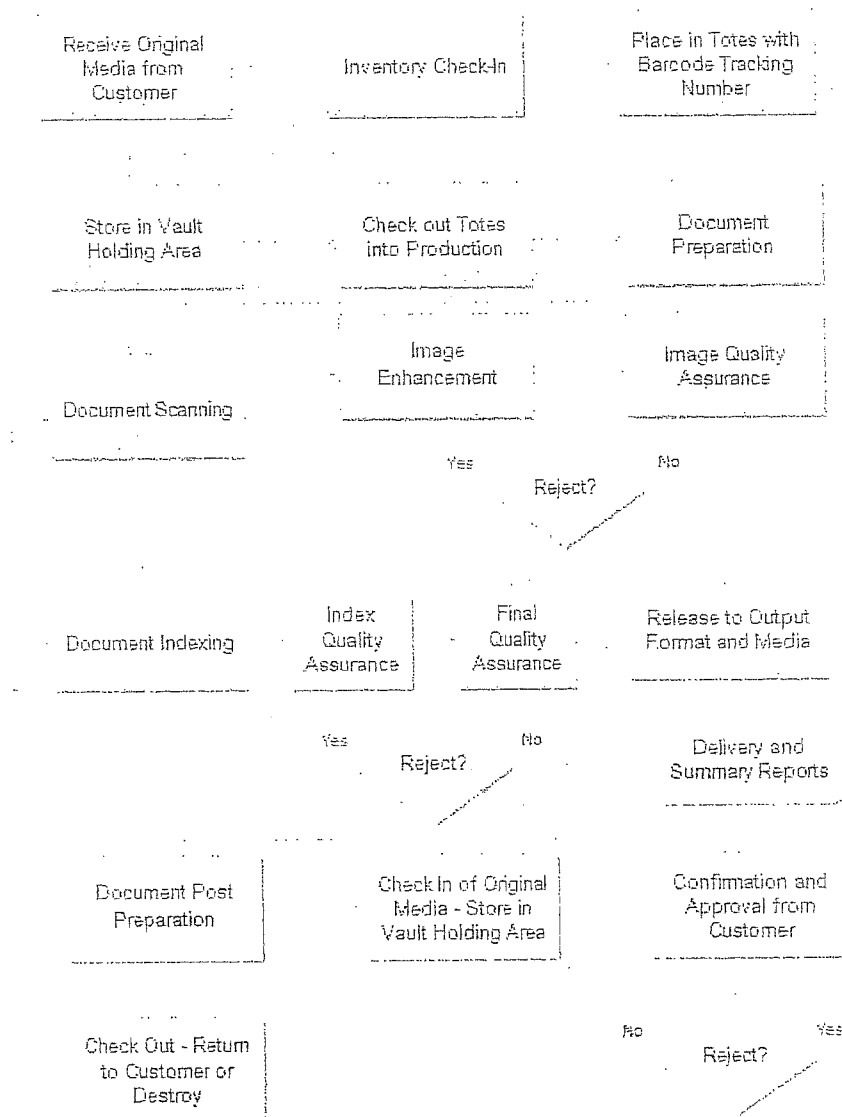


Figure 5: Sample Conversion Workflow



2.5 COST REPLY

*The vendor's cost reply shall be for a **milestone and deliverables-based fixed price solution**. Proposers should complete and submit the Appendix E Cost Reply page.*

The pricing appendix was removed from the final submission requirements.

2.6 MINIMUM REQUIREMENTS

*Any vendor **not** meeting the minimum qualifications **will not be** considered for further evaluation.*

AMCAD is confident that we exceed all of the County's minimum requirements for work on this project. We have a quarter century of extensive experience providing digitization, redaction and technology solutions for government agencies like Brevard County and the Clerk of Court's office.

2.7 INVENTORY

After receiving and prior to starting the conversion process, a complete inventory is taken of all records. This complete inventory will make each document a traceable unit throughout the conversion process. An initial inventory will be done by recording the information necessary to identify and track the documents by type, location and other unique identifiers such as:

- Record Type
- Document Number
- Numerical Date Range
- Case Number Range

2.8 PREPARATION

Upon completing the inventory and check in phases, all paper records will be moved to the official production area for the first phase. Preparation for scanning is a critical step in the document conversion process. Standard paper scanning document preparation steps include removal of staples, removal of paperclips, straightening of bent corners, repairing torn papers, taping small sheets, tagging oversized documents, tagging pages that require flatbed scanning and removal from all types of binding. The goal of document preparation is to maximize actual production scanning productivity and quality.

2.8.1 Preparation Quality Assurance

After a batch is completed, it is passed off to a document preparation quality assurance specialist who will verify



**Figure 6: Preparing
Pages for Optimal
Scanning**



that the starting and ending document number matches the inventory sheet. The operator will also spot check the repair techniques.

2.9 SCANNING

Upon approval from the preparation QA department and supervisor, project files are scanned and electronic images are created. Records will be transported from the preparation area to the scanning area and the location change will be tracked in the Tracking Database. AMCAD Scanning Specialists are trained thoroughly on the specific scanners they are using and start each shift with preventative maintenance and cleaning routines that are repeated at specific intervals throughout the day.

AMCAD Scanners use Kofax Image Controls either in the hardware or the software to provide the highest quality scanned image. All high speed scanners for the Brevard project will contain an ADF (Automated Document Feed) feature and have the ability to scan both sides of a page at once (duplex). AMCAD utilizes the most advanced image enhancement technology to provide images that are clear, readable and a true representation of the original page.

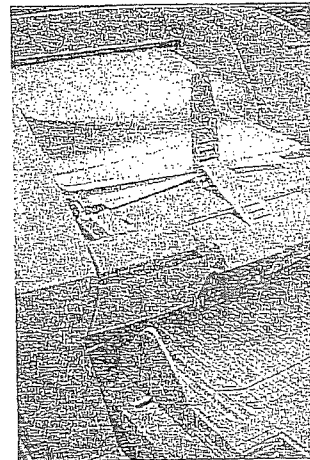


Figure 7: Bell & Howell
Ngenuity 9125 D/C

2.9.1 Paper Scanning

AMCAD will use Bell and Howell Ngenuity 9125 D/C scanners to capture digital images from the Clerk of Court's original source media. The 9125 is a reliable high-speed production paper scanner. It is very versatile in that it can scan bitonal, grayscale, or full color in resolution ranging from 200 to 600 dots per inch. The scanner can accommodate pages as thin as carbon paper and as thick as card stock. The 9125 can handle documents as small as index cards (3" x 5") and up to as large as "B" Size documents (11" x 17"), which makes it a perfect fit for varying sizes of paper records. Standard resolutions for the County's project will be at least 300 dots per inch. Images will be captured at a rate of approximately 3,600 per hour and AMCAD has the equipment and staff to run multiple scanners on multiple shifts.

Image quality assurance takes place after the images have been scanned and enhanced. An Image Quality Control Specialist will first check record type counts and number counts. The Specialist will then view each image to insure there are no streaks, spots, cut off, overlapped or blurry images resulting from poor quality scanning and other items. AMCAD's Quality Control Specialists are trained to recognize image quality problems. All Quality Control Specialists are experienced employees that have also been cross-trained in document preparation and paper scanning so they can quickly recognize problems or exceptions in image quality.



2.9.2 Image Enhancement

AMCAD feels that certain processing techniques should be employed to ensure readability and efficient system performance. AMCAD has significant experience in employing image manipulation techniques based on proven algorithms provided by qualified vendors. AMCAD has experienced no discernible loss of data and considers the risks associated with the potential loss of insignificant data to be much less than the risk of error due to non-readability.

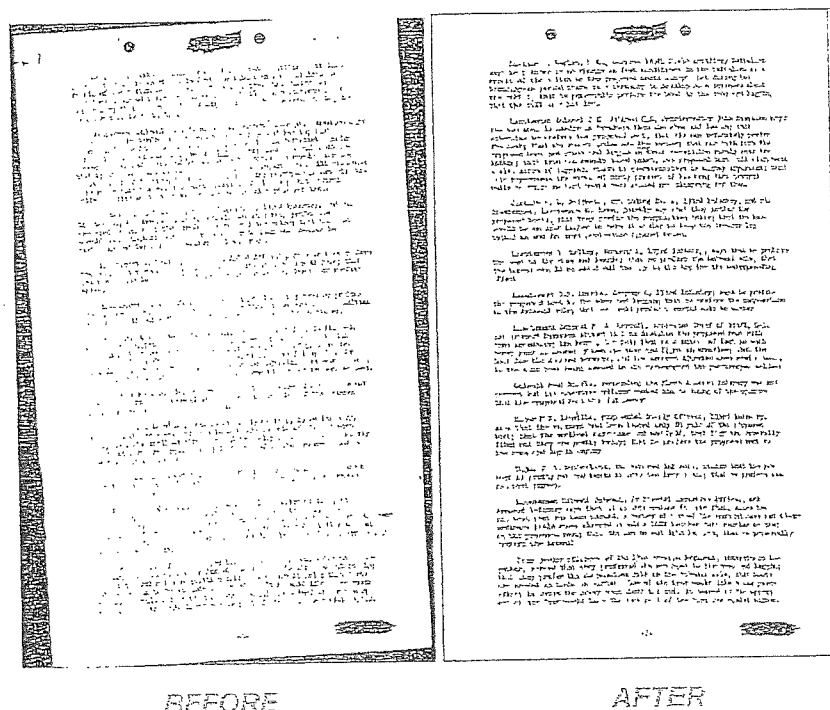


Figure 8: AMCAD Paper Enhancement Before & After Example

To minimize any risk associated with the loss of data resulting from employment of image manipulation hardware and software, it is worth noting:

- AMCAD will employ de-skew which results in no loss of information.
- AMCAD will perform 3X3 speckle removal only. Use of a 3X3-parameter setting ensures that periods and punctuation "dots" will not be removed. Only pixels 1/200 of an inch with no adjacent pixels will be removed.
- AMCAD will perform intelligent trim based upon an algorithm that utilizes a threshold setting that guarantees that in order for a group of pixels to be removed, they must be 95 percent black.



2.10 INDEXING

During this phase of the document conversion, files are broken up into individual documents and manually assigned an index. This process is called indexing and will happen simultaneously with the creation of individual documents.

The process begins as an AMCAD data capture specialist is assigned files. Files may already be broken into documents by barcode break sheets inserted during the document preparation phase. Additional breaks will be created by the specialist by using a key combination to create a "break." As a break is created any number or type of fields will be indexed and individual images will be combined into documents.

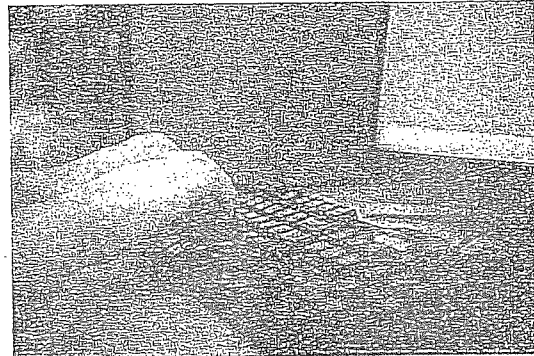


Figure 9: Manual Keying Ensures the Highest Accuracy

After indexing, indexing quality assurance takes place. This is referred to as verification. During verification, an independent specialist checks for inconsistencies, duplicates, exceptions and anomalies. All of this information will be recorded on an exception report that will be provided to the County at the end of the project.

2.11 FINAL FORMATTING AND QA

The final output format will be positive (black writing on white background) multi-page Group 4 TIFF images named and in a structure compatible with the County's system.

Delivery methods of completed images are flexible as AMCAD can provide accessibility to completed images from CD, DVD, encrypted hard drive, VPN, and via an image repository. A pickup and delivery schedule will be mutually agreed upon by AMCAD and the County before beginning the each phase of the project.

Once all images in a batch have been completed and approved through each production step, they will route to the final quality assurance queue. This phase is managed by the AMCAD Technology Center Quality Manager. All document counts, image counts and descriptions are checked in the tracking database to verify they have passed through each step of the conversion process. Image quality, index accuracy and



Figure 10: Final QA Ensures Digital Images Mirror the Originals



final format are also verified within the Final Quality Assurance phase. AMCAD Final Quality Assurance diligently searches for anomalies in all conversion projects. For example, the number of images indexed must match the number of images scanned, the number of images and documents delivered to the customer must match those scanned and indexed. The number of document inventoried must match the number of documents indexed. If the numbers do not match, the Quality Assurance Manager is notified and will investigate until an answer is found.

2.12 REDACTION

Once images are ready for redaction, they are copied to AMCAD's Storage Area Network (SAN). The SAN is a high speed, fault tolerant storage device that is designed to handle very large volumes of images. The SAN is mirrored so that we have a backup of everything in case there is a drive failure or other major issue. A database script is run that parses the data into our workflow database and readies the images for processing. The images are placed into batches so that the images can be worked on simultaneously by many users. The number of images in a batch is configurable.

Pass 1: Process

At this point, operators receive images for redaction processing. Each image is reviewed during a first pass. This 100% human manual first pass includes reading each image and redacting sensitive numbers like Social Security, Bank Account, Debit, Credit and Charge that are found. The redaction is placed on the image using a transparent orange highlight.

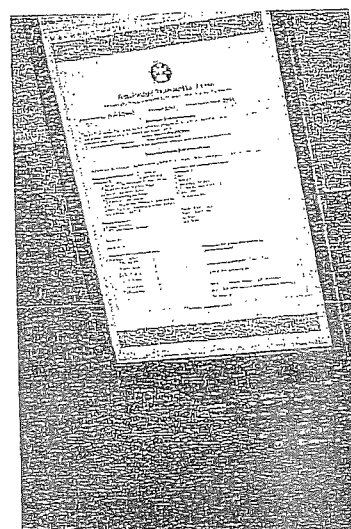


Figure 11: Redaction Screen

Pass 2: Quality Assurance

All images will be quality checked by trained technicians. The reason for the transparent highlight is that the second pass operators will need to verify that the redactions are correct. Because the initial redaction is transparent, the number can be read through the orange highlight. The second pass Quality Assurance (QA) operators review each page to determine if a number has been missed and also if a redaction has been placed over the correct data. The second pass operator can place new redactions on each image and can correct redactions if necessary. The second pass operator can also reject an entire batch if he or she finds that there is a problem with the way the batch was processed. **This 100% double manual process guarantees the county at least 99.95% accuracy rates, which exceed the County's requirement of 95%.**



When each batch is completed, it is copied to a destination folder. Redactions are "burnt in" to the TIFF images at that point so that they are permanent. Metrics are captured for all actions in the system so that AMCAD can track production and labor rates.

2.13 DESTRUCTION

AMCAD will assemble a local team that has experience in the methods, policies, procedures and practices for destruction and shredding of records in an environmentally safe manner based upon the media type. Our experience in operating our own document facility allows AMCAD will act as the overall project manager for the work performed ensuring the highest quality of service is met both locally and on-site. Our quality management process will ensure conformance to standards by establishing and maintaining a system that tracks the disposition records. Our approach will preserve a documented "Chain of Custody" for all records scheduled for destruction.

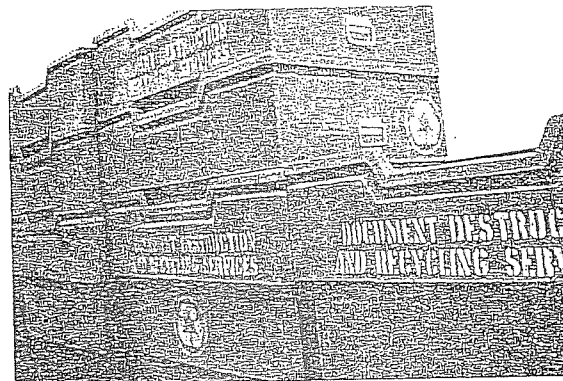


Figure 12: Secure Document Destruction

AMCAD record management consults will work with the County to pre-establish destruction guidelines and ensure that the material is disposed of in a manner that preserves the confidentiality. We realize how critical it is to have a trusted custodian of records to ensure that information remains confidential and that the privacy of protected records is safeguarded from unauthorized disclosure. Normally, destruction of confidential or privacy-protected records will be done by shredding or pulping. Depending on the media type other methods may be used. A Certificate of Destruction will be given to the County noting each batch of records that were destroyed.

2.14 ONSITE RECORD CAPTURE OPTION

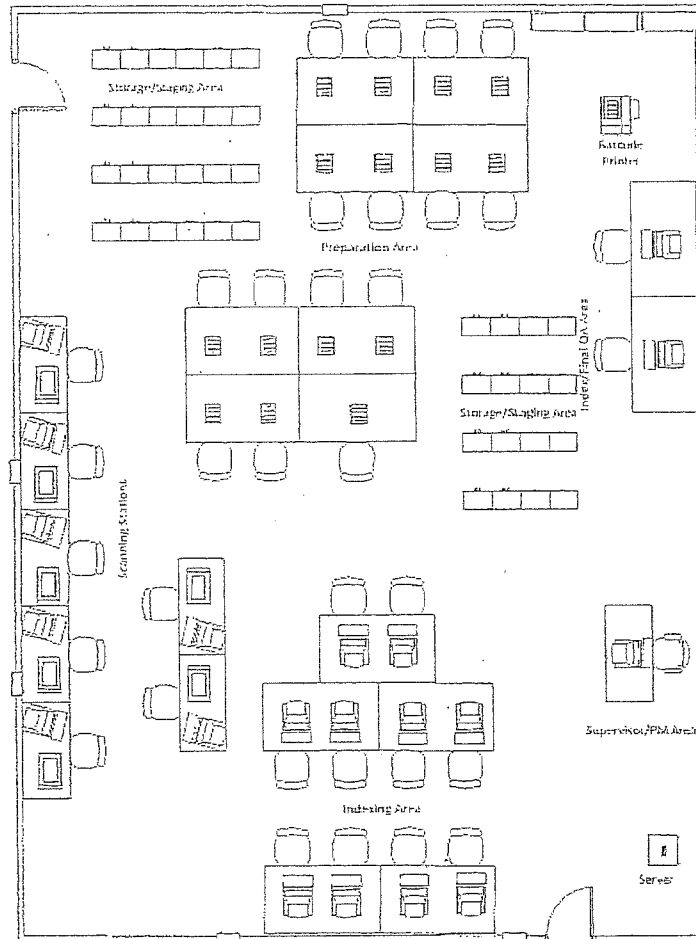
If Brevard County chooses the onsite option, the process will begin with the inventory and preparation team pulling files from the storage location and moving batches to the holding area.

We are prepared to deploy staff to Brevard County for onsite set-up and training. All onsite workers will devote 100% of their time to the project, which will consist of 8 hours per day, 5 days per week. AMCAD will provide a Supervising Project Manager at our Rock Island, Illinois facility for the duration who will also serve onsite support duties as needed. There will also be full-time Project Supervisors onsite during each shift monitoring the production process at all times.



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Redaction, Emerging Technologies
Brevard County, FL

Our first choice of associates would be people living in the Brevard County area. Based on Brevard Counties anticipated page and case counts, AMCAD's onsite team would set up the onsite production area similar to the diagram below. Number of seats may vary depending on space available.



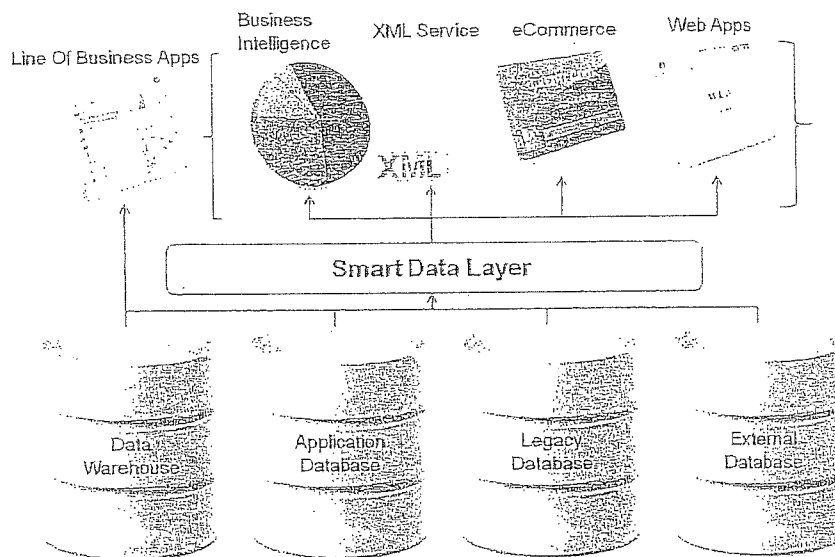
Onsite Production Layout Area Example

2.15 ROAM SYSTEM

AMCAD's Rapid Online Access Method (ROAM™) is a robust data retrieval integration solution, powered by Falcon Smart Data Layer™ technology, which provides agencies with the ability to access data across multiple databases and platforms without investing in expensive data warehouse technology. ROAM will allow retrieval of legacy images by the corresponding index. The product will support the required security to allow viewing redacted or source images based on user's permissions.



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Additional ROAM features include:

- Platform Independent Compatibility
- Rapid Full Text Search Capabilities making data easier to find
- Robust Data Retrieval and Export Functionality, including XML
- Near Real Time Search Results across hundreds of millions of records
- Multi-Language search support for 37 languages
- Map and Chart Designer
- Enhances enterprise data quality initiatives

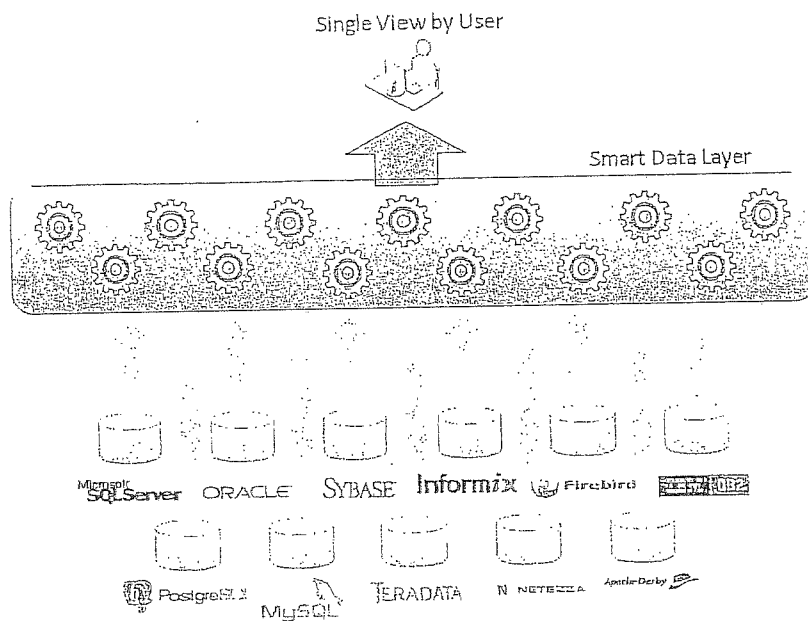
ROAM provides the ability to configure a public access portal allowing the agency to configure different views and access based on security. It can provide public access to all agency databases from one common view improving the ability of the agency to provide information to both its internal staff, as well as its end users.

ROAM's proprietary index exists outside of the line of business applications, which allows the searching and reporting capability of these applications to maintain accessibility when the line of business database is offline for routine maintain or in the case of a disaster. ROAM's index also acts as an additional layer in an Agency's database recovery plan.

At the core of AMCAD's ROAM solution is Falcon's Smart Data Layer™ technology, which allows for near instant results, even across databases consisting of hundreds of millions of records. ROAM's end user interface includes fully administrator configurable web templates based HTML, JavaScript, XML and JavaScript Object Notion (JSON). ROAM's web interfaces are compatible with all mainstream browsers. In addition,



ROAM supports over 80 configurable text, data, language and number algorithms to further enhance its impressive data retrieval capabilities.



ROAMs capabilities enable users to implement solutions such as:

- **Federated Searches:** Data within a municipality is stored in a variety of databases and formats. This leads to data fragmentation and information redundancy. ROAM has the ability the ability to search across multiple databases simultaneously, even databases located in different departments or even different municipalities. The ability to pull data from multiple sources on demand allows for more in-depth analysis and provides a richer user experience. In addition, ability to simultaneously access various systems allows a municipality to leverage their previous investments in legacy systems and reduce conversion costs to migrate to new systems.
- **Portals:** ROAM provides the ability to configure a public access portal allowing the agency to configure different views and access based on security. It can provide public access to all agency databases from one common view improving the ability of the agency to provide information to both its internal staff, as well as its end users.
- **Data Continuity:** ROAM's proprietary index exists outside of the line of business applications, which allows the searching and reporting capability of these applications to maintain accessibility when the line of business database is offline for routine maintain or in the case of a disaster. ROAM's index also acts as an additional layer in an Agency's database recovery plan.



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Brevard County, FL

Section 3 Pricing

3.1 OFFSITE PROCESSING PRICING (45 MILLION IMAGES)

Task	Unit Price	Unit	Estimated Totals
Preparation, Scanning, Enhancement and Image Q/A (45 million images)	\$0.049	Image	\$2,205,000
Index (11.25 million documents)	\$0.078	Document	\$877,500
Redaction (45 million images)			
Option 1 - One Auto Pass/Single Human Pass	\$0.019	Image	\$855,000
Option 2 - One Auto Pass/Double Human Pass	\$0.039	Image	\$1,755,000
Destruction	\$0.240	Pound	TBD
ROAM	TBD	TBD	TBD
Integration	TBD	TBD	TBD



Statutory Digitization, Backlog, New Documents,
Redaction, Emerging Technologies
Brevard County, FL

ONSITE PROCESSING PRICING (45 MILLION IMAGES)

Task	Unit Price	Unit	Estimated Totals
Preparation, Scanning, Enhancement and Image Q/A (45 million images)	\$0.069	Image	\$3,105,000
Index (11.25 million documents)	\$0.078	Document	\$877,500
Redaction (45 million images)			
Option 1 - One Auto Pass/Single Human Pass	\$0.019	Image	\$855,000
Option 2 - One Auto Pass/Double Human Pass	\$0.039	Image	\$1,755,000
Destruction	\$0.240	Pound	TBD
ROAM	TBD	TBD	TBD
Integration	TBD	TBD	TBD

3.2 PRICING ASSUMPTIONS

Pricing

- The above pricing includes both Offsite and Onsite pricing options. The numbers are based on 45 million images and are estimated based on AMCAD's standard processing rates. These rates are subject to change following a thorough evaluation of Brevard County's physical records and once final requirements are established.
- Index unit pricing may be adjusted based on evaluation assessment of Brevard County's needs.

Preparation

- Assumes **Medium Prep** for all documents



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- All pages will be double-sided and letter-sized (8.5"x11")
- Very few staples and clips, no bent corners, minimal taping, clean paper in good condition

Payment Options

- *AMCAD will work the Brevard County to provide a flexible payment arrangement to align with the County budget constraints to include monthly payment options.*

Scanning, Enhancement & QA

- Scan at 300 dots per inch bi-tonal
- All pages will be double-sided and measure 8.5" x 11"
- Paper will be in relatively good condition with no tears, no readability problems (extreme contrast), or water/mold damage
- Repairing of torn pages and/or other more serious defects is not included
- Image enhancement to include deskewing, sharpening and black border removal is included
- Image quality assurance on every image included
- No indexing is included
- Includes output in specified format of PDF, TIFF or JPEG

Index

- Document level indexing included
- Index of Book/Page, Case File and Date
- No Document Type Classification
- Excellent media condition and legibility
- Typewritten documents
- Barcoded
- Consistent indexing information locations
- 3 fields of indexing (Book, Page and Date)

Redaction

- Single pass human manual inspection of every image after automated first pass yields a minimum of 98.00% accuracy
- OR
- Double pass human manual inspection of every image yields a minimum 99.95% accuracy
- Social Security Numbers & one (1) other category only to be redacted

Location

- All offsite work to be processed at our facility in Rock Island, Illinois.



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Brevard County, FL

- Assumes that adequate space and power is available for Onsite processing within Brevard County offices.

Other Assumptions

- After reviewing original source media and determining that it does not fall under these assumptions or processes herein are changed, quoted AMCAD pricing may be evaluated and modified.
- All pricing is valid for (30) days from date of issue.
- Per-unit pricing are based on the estimated quantities noted above.
- Prices may need to be re-evaluated in the event of a 2% or more change in total quantities.
- All materials provided by the customer will be free of mold, mildew, and other substances that can be harmful to AMCAD employees and/or equipment.
- Due to the subjective nature of interpreting the poor quality handwriting from such media, some fields will not be able to be indexed. Where legibility is an issue the field can be left blank

H

Mike

FNTI	BlueGem	AMCAD
2	5	2
1	5	2
1	3	1
2	5	1
2	4	1
4	4	4
2	5	1
2	4	2
5	3	3
4	4	4
25	42	21

Mark

2	5	2
1	4	3
2	3	2
1	5	1
3	5	2
5	5	5
3	4	2
3	3	3
5	3	4
4	4	4
29	41	28

Mitch

2	4	1
2	4	3
1	2	1
1	5	1
3	5	1
5	5	5
3	5	1
2	3	1
5	4	4
3	3	3
27	40	21

Merrilly

3	4	3
2	4	3
1	2	1
0	4	0
2	5	2
4	4	4
3	5	4
2	2	2
4	3	3
4	4	4
25	37	26
26.5	40	24

SUBMITTER	LUMP SUM	PAYMENT PLAN	TIME LINE FOR PERFORMANCE - Liquidation penalty MILESTONES	DIGITAL PEN	Performance Location	On-site Manager	Turn Around Time Analysis	Change Order Initiated	Past Customer Review	System Integration Available	
FNTI	3	2	1	NA	2	4	3	2	4	4	25
BLUE GEM	4	4	2	4	5	4	5	2	3	4	37
AMCAD	3	3	1	NA	2	4	4	2	3	4	26

Scoring
Context:

1-5 rating with 1
being the lowest
and 5 being the
best

7/31/12

SUBMITTER	LUMP SUM	PAYMENT PLAN	TIME LINE FOR PERFORMANCE - Liquidation weekly MILESTONES	DIGITAL PEN	Performance Location	On-site Manager	Turn Around Time Analysis	Change Order Initiated	Past Customer Review	System Integration Available	
FNT	2	2	1	1	3	5	3	2	5	3	27
BLUE GEM	4	4	2	5	5	5	5	3	4	3	40
AMCAB	1	3	1	1	1	5	1	1	4	3	21

Scoring
Context

1-5 rating with 1
being the lowest
and 5 being the
best

SUBMITTER	LUMP SUM	PAYMENT PLAN	TIME LINE FOR PERFORMANCE - Liquidation penalty MILESTONES	DIGITAL PEN	Performance Location	On-site Manager	Turn Around Time Analysis	Change Order Intimated	Past Customer Review	System Integration Available	
PHD	2	1	2	1	3	5	3	3	5	4	29
BLUE GEN	5	4	3	5	5	5	4	3	3	4	41
AMCAD	2	3	2	1	2	5	2	3	4	4	25

Scoring
Context

1-5 rating with 1
being the lowest
and 5 being the
best

SUBMITTER	LUMP SUM	PAYMENT PLAN	TIME LINE FOR PERFORMANCE - Liquidation penalty MILESTONES	DIGITAL PEN	Performance Location	On-site Manager	Turn Around Time Analysis	Change Order Indicated	Past Customer Review	System Integration Available	
FNTI	2	1	1	2	2	4	2	2	5	4	28
BLUE GEM	3	5	2	5	4	4	5	4	2	4	42
AMCAD	2	2	1	1	1	4	1	2	2	4	17 3

Scoring
Context

1-5 rating with 1
being the lowest
and 5 being the
best

I

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¹²ALSO CERTIFIED PUBLIC ACCOUNTANT

¹³ADMITTED COLORADO BAR

May 21, 2012

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Chief In-House Counsel
Brevard County Clerk of Circuit Court
Moore Justice Center
2825 Judge Fran Jamieson Way
Viera, FL 32940-8006

Mark Cook, Esq.
1097 Coronado Drive
Rockledge, FL 32955

Re: Proposed contract ("Contract") by and between Blue GEM, LLC ("BlueGEM")
and Brevard County Clerk of the Court ("Customer") dated May 11, 2012

Dear Merrily and Mark,

As requested, I have reviewed the referenced Contract. As discussed, I leave it to you to determine the capability of BlueGEM to perform the services set out in the Contract as well as the appropriateness of the consideration to be paid for such services. In our conference of May 18, 2011, you identified additional matters that may be included in the Contract, however, my comments are restricted to only the provisions of the proposed Contract

It is my understanding that the Contract is intended to provide scanning and digitizing services for the backlog of records maintained by the Clerk of the Court. No software or equipment is to be delivered by BlueGEM for use by your office.

I would direct your attention to the following matters:

1. Section 1.1 of the Contract defines "normal working hours" ("Normal Working Hours") as Monday through Friday, 8:00 a.m. until 5:00 p.m. excluding Saturdays, Sundays and national and state holidays. Section 2.1 of the Contract provides that services performed outside of Normal Working Hours shall be charged separately as agreed upon in writing in advance. In our discussions, I understood that scanning services would be provided on a 24 hour 7 day per week basis. If that is correct, the Contract should be modified as it relates to the definition of Normal Working Hours. The issue is: can the Contract be completed in five years during "normal business hours?"

2. Section 3.0 of the Contract exonerates BlueGEM for "any delay in the performance of the Services if such delay is caused by the Customer or because of Force Majeure". The Contract is silent on the failure of BlueGEM to meet established milestones which, at this point, are couched as merely guidelines or objectives. This is significant given the contract price and the five year term to complete. I would recommend that the Contract be modified to specifically provide for a penalty or sanction if BlueGEM fails to meet established milestones. The penalty or sanction should be sufficient to cause them to meet the guidelines they have set out and, thus, finish the work on time and on budget.

3. Section 4.0 (Project Change Control Procedure) should be limited to matters that are outside of the scope of the current contract requirements to be performed by BlueGEM.

4. Section 5.1 of the Contract provides that cost of travel, accommodation and subsistence, and other expenses incurred by BlueGEM will be paid in addition to other fees set out in the Contract. You advise that BlueGEM has established a facility in Melbourne, Florida for the purpose of carrying out the terms of the Contract. I would recommend that the charges that may be incurred by BlueGEM in this category be specifically outlined in advance as it would seem such expenses should be minimal based upon the circumstances of this engagement. This issue should be tied down up front.

5. Section 5.0 of the Contract sets out terms of payment for services rendered by BlueGEM. Penalties are imposed upon the Customer for failure to make prompt payment (which I understand will be changed to require payment within 45 days of the date of invoice rather than 30). I continue to be troubled by the rights afforded to the Customer when BlueGEM may have failed to meet a required milestone. You may wish to consider inclusion of a clause that would suspend the requirement of payment of invoices until such time as any default in achieving a particular milestone is corrected.

6. What would be a reason to extend the Contract for two more years after the initial five year term if BlueGEM fully performed under the Contract? The only valid reason that comes to mind is that the Customer wishes to delegate additional work at that time but to know now what the cost would be. What other reasons did you have in mind?

7. Section 9.0 of the Contract addresses intellectual property rights and grants to Customer a "non-exclusive, royalty-free license for the duration of the Contract." To the extent that there is any post-Contract use of any technology provided by BlueGEM, it may be necessary for the license to be granted on a perpetual basis. The Digital Pen Solution would appear to be a proprietary technology for which continued use would require a license that would be part of a separate contract for permanent use of that technology. The issue is whether any form of the product to be delivered BlueGEM under the Contract may require a license after the Contract is completed. If the answer is "no," why include the license in the Contract in the first place.

8. The warranty set out in 10.1 relates to software provided by BlueGEM and is seems as though none is provided to Customer under the Contract. Again, why is this included in the Contract if no software is being provided? In any event, it seems that any such warranty

should extend longer than 60 days as it is highly unlikely that all defects can be identified in that time frame. You may wish to consider extending the warranty to at least two years.

9. Please carefully review Section 10.2 of the Contract. It would seem that Section 10.2 should be removed from the Contract if no software is being provided under the Contract or that Customer would receive uninterrupted or error free software with the burden being on BlueGEM to correct defects.

10. Section 11.2 of the Contract limits the liability of BlueGEM for loss of Customer's property to \$1 million. Given the importance of the records placed in their hands, you may wish to consider changing this so that the liability of BlueGEM is unlimited as it is for items set forth in Section 11.1. Section 11.3 also serves to deprive Customer of seeking damages for consequential losses. Normally, BlueGEM would be liable for all provable damages.

11. Section 23 of the Contract should be modified to reflect that venue of any dispute shall in the Circuit Court of Brevard County, Florida or the Federal District Court, Middle District of Florida.

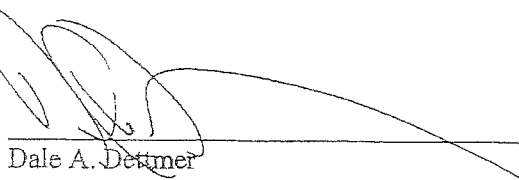
12. The Contract does not include any mechanism for dispute resolution other than litigation. Some contracts of this nature require binding arbitration but there are various views on the utility of that process as well. I simply point this out so that you may consider the alternatives.

13. Schedule A to the Contract sets out certain assumptions used in preparing the Contract. In that regard, it is unclear to me what equipment and software will be delivered to the Customer for Customer's use post-contract. For example, under Assumptions, Item 4, it mentions that server pricing is not included in the proposal. Why is that included in this contract?

I would like the opportunity to discuss these matters with you. Please call following your review.

Very truly yours,

KRASNY AND DETTMER



Dale A. Dettmer

DAD:dc
Enclosure

5

BLUEGEM



Remit to: BlueGEM
3860 West 13th Street
Cadillac, MI 49601
Tel: +1 (231) 775-0224
Fax: +1 (231) 775-1060

INVOICE

999101

SAP VENDOR #: 447733

SAP P. O. #: 45000

SAP LINE ITEM #: _____

TO: Brevard County Clerk
Attn: Accounts Payable
700 South Park Avenue
Titusville, FL 32780

Invoice	Date	Term	Account
BREVARD	5/23/2012	Due Upon Receipt	Accounts Payable

ITN for Scanning
Deposit

\$ 300,000.00

*NOTE: This is a refundable deposit only if there is an unresolvable dispute regarding the Clerk of the Court needs.

Handwritten signature
23 MAY 2012

Invoice total \$ 300,000.00

Beneficiary: BlueGEM LLC
Currency: USD
Correspondent Bank: Firstbank
Location: 114 West Pine Street
Cadillac, MI 49601
(231) 775-9900

Routing Number:
Account Number:



BLUEGEM



Remit to: BlueGem
2060 West 13th Street
Cadillac, MI 49601
Tel: +1 (231) 775-0224
Fax: +1 (231) 775-1002

INVOICE
999102

SAP VENDOR #: 447733

SAP P. O. #: 45000

SAP LINE ITEM #: _____

TO: Brevard County Clerk
Attn: Accounts Payable
700 South Park Avenue
Titusville, FL 32780

Customer	Date	Terms	Contract
BREVARD	5/23/2012	Due Upon Receipt	Accounts Payable
Description		Charges	

ITN for Scanning
Deposit



\$ 210,000.00

*NOTE: This is a refundable deposit only if there is an unresolvable dispute regarding the Clerk of the Court needs.

MAILED
23 MAY 2012

Invoice total \$ 210,000.00

Beneficiary: BlueGem LLC
Currency: USD
Correspondent Bank: Firstbank
Location: 114 West Pine Street
Cadillac, MI 49601
(231) 775-9000

Routing Number: 
Account Number: 

K



Wire Transfer Debit Advice As Of 05/23/12 Distributed 05/23/12 4:51:13 PM EDT

Account: [REDACTED]
CLERK OF COURT BREVARD CTY AGENCY

Wire Transfer Debit

Amount: \$500,000.00 USD

Fed/IMAD Reference: [REDACTED]

SunTrust Reference Number: [REDACTED]

Beneficiary: [REDACTED]
BlueGEM LLC

Beneficiary Bank: [REDACTED]
FIRSTBANK
SHEPHERD, MI

Originator: [REDACTED]
CLERK OF THE COURT-BREVARD COUNTY
AGENCY ACCOUNT
400 SOUTH STREET
TITUSVILLE FL 32780-7663

Originator to Beneficiary Information: Initial Payment on Signing

Sender Reference: Digitization

Money Transfer Customer Service

Please contact us for further information about this or other funds transfers. You may reach us at 1-800-947-3786 for information regarding domestic or international transfers. When inquiring about this transaction, please have the SunTrust Reference Number (above) available.

Thank you for banking with SunTrust.

2

MEMORANDUM AND OPINION TO THE CLERK

TO: MITCH NEEDELMAN, BREVARD COUNTY CLERK OF COURT
YOUR EYES ONLY
FROM: MERRILY T. LONGACRE, ESQ. AND MARK COOK, ESQ.
RE: BLUEWARE DIGITIZATION CONTRACT
DATE: Sunday, June 03, 2012

*THIS DOCUMENT REGARDS ATTORNEY CLIENT PRIVILEGE AND IS
PRIVILEGED BETWEEN THE CLERK AND HIS IN HOUSE COUNSELS
EXCLUSIVELY.*

Dear Mitch:

Before we go any further with the digitization and redaction contract process in negotiation, we must advise you of the following issues that may affect your determinations.

At this date, it is our understanding that the following is true:

First – The selection process from the Invitation to Negotiate, though made, is still in the negotiations phase.

1. The basic contract terms have not been signed/executed to our knowledge.
2. The terms of the addendum have yet to be agreed to by the BlueWare side: Those are:
 - a. Yearly budget project that makes payments beyond this fiscal year on this contract contingent upon there being sufficient funding in the accounts tagged to support funding for the project.
 - b. Payment terms and amounts on the agreed calendar.
 - c. 5% retainage fee forfeit SOW and Specifications.
 - d. SOW and performance Specifications are in process of design in document department and will be prepared for addendum construction within 24 hours of receipt of the SOW and specifications from our document department.
 - e. Displaced worker [DW] and veterans preference [VP] terms and conditions including agreement to interview all candidates who submit resumes who are qualified. Qualifications to be available

from the contractor so that the DW and VP applicants will know what the qualifications for each position presented.

- f. Impact on S2 contract and addendum after discussion with them.
3. It is anticipated that within 10 days to 2 weeks these addendum will be negotiated and implemented after execution of the whole agreement.

Two matters have been hinted by "Nick" during our discussions.

The first is that there may be a civilian insider who will gain a benefit from the awarding of this contract. If that is true, you will need to have us review the particulars and test as to whether there are any violations or perceptions of violations of Chapter 838. We are particularly concerned that you not face any questions that could be construed under §§838.014, 838.016, et seq. Florida Statutes. The appearance of impropriety even where not actionable could be as damaging to you politically as well as in the state governmental structure as any finding of actual wrong doing.

The second is the release of information to the public information requesters that are now pending nearly two weeks without adequate explanation of why certain parts of our process remain under exempt status tendered to the requestors as required by law.

We must tell them that in fact the ITN process is still in the negotiation phase. The contract has not been let as yet and the invitation may be withdrawn if the specifications required cannot be met in the architectural phase of this process. The citation is

Preliminarily, §119.071: "3. If the agency rejects all sealed replies, the recording remains exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution **until such time as the agency provides notice of a decision or intended decision pursuant to s. 120.57(3)(a)** concerning the reissued invitation to negotiate or until the agency withdraws the reissued invitation to negotiate." "2. Sealed bids, proposals, or replies received by an agency pursuant to a competitive solicitation are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution **until such time as the agency provides notice of an intended decision or until 30 days after opening the bids, proposals, or final replies, whichever is earlier.**"

We are definitely running out of deliverable time on this area. Furthermore, the nuances and complexities of §119.071 (1)(b) may apply to cause redaction of most of the contract terms and the bid receipts. We have to review the submittals and redact any areas that indicate potential issues in this lengthy section of the statute. The "pen" has trade secrets and issues indicated redaction review before release. Nevertheless, we are still in the awkward time zone in our response. The submittals have to be redacted before release.

We selected Blueware and rejected the other two, however, at this time, the Blue Ware negotiation has gone into a kind of limbo and if the terms cannot be agreed upon, then we can withdraw the invitation, start again etc. We actually may have to withdraw the whole process and start again because of the flack we have gotten from the opponent sector.

One of the privileged emails that you have sent to Debbie Pucket indicated that if the SOW and Specifications cannot be verified pursuant to the actual in our department, then we may elect to contract with another of our submitters. However, in this regard, it would be better to indicate that we have rejected award, the negotiations have shut down and that we will be reissuing the invitations to bid.

Because we appear to not be able to close the BW deal, we are in a kind of limbo in the process. It would be preferable for us to either let the contract with the addendum in written and signed and then release for publication soon as we are able thereafter to remain legally within the rules of the statutes that control this process.

The second issue has not been dealt with properly with regard to release either. We have to advise the requester exactly the statutory reason for why we are not releasing that contract. The contract is investigating security leaks in our IT system and at this time our understanding is that some direct evidence has been provided indicating that there is a suspicion that cybercrime is operating. However, we, your lawyers, have not seen any direct evidence that would allow us to evaluate whether or not we have an FDLE complaint at least at the circumstantial level. The contract requires that the investigation contractor shall provide us with a written report and since there is no actual term for this deliverable, we must rely on contract principles of reasonable time frames or explanation why extended time frames are necessary. Without a report out and/or without a written evaluation providing proof of facts that would allow at a minimum a circumstantial evidence review, our hands are tied.

At this date and to our knowledge this contract has failed to provide any real proof of minimal circumstantial evidence other than activities apparently raising suspicions. This contract has become stale to the point that it now may have to be released under the requirements of chapter 119.

Section (2) Investigation – may not apply to the investigatory contract because the Clerk is not an investigatory agency. However, if we were to get sufficient evidence written down in a confidential report that reaches at least circumstantial levels, we would be within rights to send this information to the FDLE and that would maintain exempt status of this information.

The best exemption language is as follows:

(3) SECURITY.—

- (a)1. As used in this paragraph, the term “security system plan” includes all:
 - a. Records, information, photographs, audio and visual presentations, schematic diagrams, surveys, recommendations, or consultations or portions thereof relating directly to the physical security of the facility or revealing security systems;
 - b. Threat assessments conducted by any agency or any private entity;
 - c. Threat response plans;
 - d. Emergency evacuation plans;
 - e. Sheltering arrangements; or
 - f. Manuals for security personnel, emergency equipment, or security training.
2. A security system plan or portion thereof for:
 - a. Any property owned by or leased to the state or any of its political subdivisions; or
 - b. Any privately owned or leased property

held by an agency is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This exemption is remedial in nature, and it is the intent of the Legislature that this exemption apply to security system plans held by an agency before, on, or after the effective date of this paragraph.

3. Information made confidential and exempt by this paragraph may be disclosed by the custodian of public records to:
 - a. The property owner or leaseholder; or
 - b. Another state or federal agency to prevent, detect, guard against, respond to, investigate, or manage the consequences of any attempted or actual act of terrorism, or to prosecute those persons who are responsible for such attempts or acts. . . .”

The response should be set out on each request the particulars of the statutory exemption including the exemption statute citation.

We recommend that we will release a clear and concise statement to the requesters before COB tomorrow. We recommend that the ITN be released immediately and the bid packages be redacted for release. OR, We recommend that we scrape the ITN and start again. OR we get the addenda completed, the contract executed and we move on to redact the areas that the statutes requires us to exempt and that we release the digitization contract as asoon as these levels are completed. We must immediately advise the requesters that there are parts of the contracts that we must complete because the contracts have not been formed/or we are redacting them to comply with the law, before release and estimate that redaction and research will require a one week delay from the point we make this response.

At this point, we must avoid the appearance of impropriated and evasive answers will allow this assumption.

It is worth mentioning that there was not opportunity for the legal team to review the ITN solicitation before it was published. We first review this after it had been released and we were headed for the bid opening. The process happened extremely quickly and any responses of the legal team have to carry the caveat that our responses were made under time pressures that made considered opinions and proper responses impossible.

We are obligated to advise you of the foregoing so that you may continue to make properly educated actions in regard to all of the contracts now processing.

We believe that the digitization contracts will make our office far more efficient and it will solve many of our process issues. The Supreme Court is demanding that we enter the 21st century with e-filing. That really means that we must digitize all records to bring the level of efficiency back to our office that is expected by our constituents. The process, however, may not be seen to have ay improprieties in the immediate memory of the constituents. We will work to help in whatever direct you determine is in the best interest of the office and we hope that this in depth information will help with the decisions necessary for success. Thank you.

M

BLUEGEM



BlueGEM, LLC

1825 Riverview Drive

Melbourne, FL 32901

("Supplier")

Brevard County Clerk of the Court

700 South Park Avenue

Titusville, FL 32780

("Customer")

WHEREAS: in order to comply with the legislative mandate that clerk of the court continually advance the modernization, efficiency, accessibility, and safety of public records and to provide the residents of Brevard County with a better, safer, more accessible and more cost efficient solution to document storage, the Brevard County Clerk's office is entering into this contract for BlueGem, LLC to provide a high tech, cost efficient solution to the document storage problem that will provide substantial cost savings to the taxpayers.

Further, Pursuant to Fla. Stat. §28.2221 (2012) a proper and legitimate state purpose is served by providing the public with access to public records and information on the Internet;

Further, Pursuant to Fla. Stat. §28.22205 (2012), each clerk of the court is required to implement electronic filing process;

Further, Pursuant to Rule 2.420 of the Judicial Administrative Rules (2012), each clerk of the court is required to provide citizens with appropriate access to all judicial records;

Further, Pursuant to Rule 2.430 of the Judicial Administrative Rules (2012), the clerk of the court is obligated to retain public records as follows:

(c) Records Not Permanently Recorded. No court records under this subdivision shall be destroyed or disposed of until the final order, final docket entry, or final judgment is permanently recorded for, or recorded in, the public records. The time periods shall not apply to any action in which the court orders the court records to

[Type the document title]

be kept until the court orders otherwise. When an order is entered to that effect, the progress docket and the court file shall be marked by the clerk with a legend showing that the court records are not to be destroyed or disposed of without a further order of court. Any person may apply for an order suspending or prohibiting destruction or disposition of court records in any proceeding. Court records, except exhibits, that are not permanently recorded may be destroyed or disposed of by the clerk after a judgment has become final in accordance with the following schedule:

(1) For trial courts

(A) 60 days -- Parking tickets and noncriminal traffic infractions after required audits have been completed.

(B) 2 years -- Proceedings under the Small Claims Rules, Medical Mediation Proceedings.

(C) 5 years -- Misdemeanor actions, criminal traffic violations, ordinance violations, civil litigation proceedings in county court other than those under the Small Claims Rules, and civil proceedings in circuit court except marriage dissolutions and adoptions.

(D) 10 years -- Probate, guardianship, and mental health proceedings.

(E) 10 years -- Felony cases in which no information or indictment was filed or in which all charges were dismissed, or in which the state announced a nolle prosequi, or in which the defendant was adjudicated not guilty.

(F) 75 years -- Juvenile proceedings containing an order permanently depriving a parent of custody of a child, and adoptions, and all felony cases not previously destroyed.

(G) Juvenile proceedings not otherwise provided for in this subdivision shall be kept for 5 years after the last entry or until the child reaches the age of majority, whichever is later.

(H) Marriage dissolutions -- 10 years from the last record activity. The court may authorize destruction of court records not involving alimony, support, or custody of children 5 years from the last record activity.

Further, Pursuant to Fla. Stat §119.0714 (2012) records provided to the public must be redacted to prohibit disclosure of specific information not allowed to be produced;

[Type the document title]

Further, Pursuant to Fla. Stat. §28.2221 (2012) the clerk of the court is responsible to ensure that Internet access to all court records is properly safeguarded to prevent the records from being altered or modified;

Further, in accordance with Fla. Stat. § 28.2222 (2012) the clerk of the court must each year file a capital improvement plan that documents the costs, methodology and success of obtaining the goals for modernizing and improving the storage and public access to court records;

Further, Historically the need to store and safeguard the above described records has been costly, inefficient, and is rapidly becoming unmanageable;

Further, as the number of stored documents and filings increase annually, the document storage problem is compounded;

Further, if the status quo of document maintenance is allowed to continue costs to the tax payer of the county will increase exponentially over the coming years;

Further, the status quo of document storage is inadequate to allow the residents of Brevard County appropriate access to these documents;

Further, the status quo for maintaining and storing records is not appropriate to properly preserve and safeguard these documents from the normal frailty imposed over time or from potential catastrophic emergencies in the event of Hurricane or other natural disaster;

Further, the status quo for document storage has caused safety hazards for public employees who have had to treat documents with hazardous pesticides and mold concerns;

ACCORDINGLY IT IS AGREED as follows:

1. This Contract is made between Supplier and Customer for the provision of the Services described in Schedule A ("Statement of Work") in consideration of the Total Charge set out in Schedule B ("Pricing Schedule") and Schedule C ("Digital Pen Pricing Schedule"). Schedule A may be amended by mutual agreement of the Parties from time to time to incorporate business process change.
2. This Contract shall comprise:
 - 2.1. Supplier's Standard Terms and Conditions for IT Services;
 - 2.2. The Statement of Work;
 - 2.3. The Pricing Schedule; and
 - 2.4. Clause 3 set out below.

[Type the document title]

3. This Services performed under this Contract shall commence immediately upon execution of this Contract and, subject to the provisions of the Supplier's Standard Terms and Conditions for IT Services, the Statement of Work, and the Pricing Schedule, and shall continue for 60 months (the "Contract Term").

For and on behalf of:

For and on behalf of:

BlueGEM

Brevard County Clerk of the Court

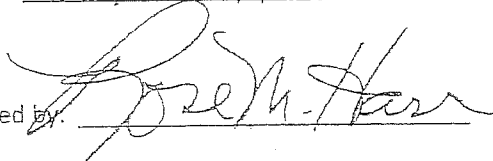
Date:

29 June 2012

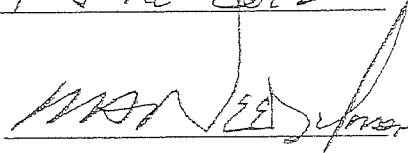
Date:

29 June 2012

Signed by:



Signed by:



Rose M. Harr (print name)

Mitch McElderry (print name)

STANDARD TERMS AND CONDITIONS FOR IT SERVICES

1. Definitions

1.1. In this Contract the following expressions shall have the following meaning:

"Associated Company" means any subsidiary parent or other affiliated entity with common ownership, principles, or managing members of a party to this Contract or holding company of such party or any subsidiary of any such holding company;

"Contract" means this Contract entered into between Supplier and Customer;

"Parties" means Supplier and Customer and any successors or assigns thereto;

"Contract Term" means Five (5) Years from the Date this Contract is signed by both Parties;

"Force Majeure" means any of the following: (i) Act of God, (ii) outbreak of hostilities, riot civil disturbance, acts of terrorism, (iii) the act of any government or authority (including refusal or revocation of any license or consent), (iv) fire, explosion, flood, fog or bad weather, (v) power failure, failure of telecommunication lines, failure or breakdown of plant, machinery or vehicles, (vi) default of suppliers or sub-contractors, (vii) theft, malicious damage, strike, lock-out or industrial action of any kind and (viii) any cause or circumstance whatsoever beyond either Party's reasonable control;

"Project Plan" means the plan submitted by the Supplier to govern specifics on timing and how the Project will be implemented, including milestones and estimated timeframes for completion of tasks;

"Green Light Document" means the Customer's acceptance of a milestone or completion of the Project as indicated in the Project Management Plan, and authorizes Supplier to proceed with the next steps identified in the Project Plan;

"Red Light Document" means issues that may arise (either Customer or Supplier related) that may slow the progression of the Project, not contemplated in the Project Plan, to which the Customer has been made aware, which are prohibiting the progress of the Project's next steps, and will require corrective measures and potentially may require a revised Project Plan;

"Intellectual Property Rights" means all patents, utility models, petty patents, design patents, design rights (whether registered or unregistered), semiconductor topography rights, trademarks, trade secrets, services marks, and copyright, and applications in any country of the World for any of the foregoing;

"Normal Working Hours" means Monday through Friday, 8:00am until 5:00pm, excluding Saturdays, Sundays, and National and State holidays;

"Services" means the services to be provided by Supplier to Customer, more particularly described in this Contract and where the context admits shall include any part thereof;

"Software" means the computer software (if any) which Supplier has agreed to create for Customer as part of the Services;

"Project Change Control" means any agreed upon changes to the Services proposed in this contract formalized

in a written contract addendum executed by both Parties;

Interpretation

- 1.1.1. Except where the context otherwise requires, words denoting the singular include the plural and vice versa; words denoting any gender include all genders; words denoting persons include firms and corporations and vice versa;
- 1.1.2. Unless otherwise stated, a reference to a paragraph, Clause, or Section is a reference to the same in this Contract;
- 1.1.3. Headings are for ease of reference only and do not affect the construction of this Contract; and
- 1.1.4. Any reference to a party to the Contract includes reference to its successors in title and assigns.

2. Performance of Services

- 2.1. Supplier shall diligently perform the Services with reasonable skill and care and in accordance with the terms of the Contract. The Services shall be performed by Supplier during Normal Working Hours and any hours worked outside Normal Working Hours shall be charged separately as agreed upon by the Supplier and Customer in writing in advance of working outside of Normal Working Hours;
- 2.2. To the extent that they are reasonably required by Supplier to enable Supplier to perform the Services, Customer shall throughout the period of the Contract, whether or not requested by Supplier, promptly provide Supplier with all information requested by Supplier

and answer any questions from Supplier (including, without limitation, complete and accurate information concerning its requirements, organization, operations and activities and any decisions made by Customer in relation to the Services). Supplier reserves the right to charge Customer for reasonable costs incurred by Supplier as a result of any failure to comply with the provisions of this Contract; and

- 2.3. Customer shall provide Supplier free of charge with such office space and facilities as may reasonably be necessary to enable Supplier to fulfill its obligations under the terms of this Contract;

3. Extension of Time

- 3.1. Supplier shall incur no liability whatsoever to Customer by reason of any delay in the performance of the Services:

- 3.1.1. If the delay is due wholly or partly to any act, omission or default on the part of the Customer, including but not limited to failure to provide information, or to approve any documents, reports, specifications or results of the Services for which approval is required by Customer within any periods agreed in writing between Supplier and Customer or if there is no such period within a reasonable time; or

- 3.1.2. If the delay is due to Force Majeure.

In the event of any such delay as aforesaid, Supplier shall have the right to an extension of time to

perform the Services by such reasonable period having regard to the nature of such delay.

4. Price and Payment

4.1. Charges for cost of travel, accommodation and subsistence, and expenses incurred by Supplier are to be paid in addition to other fees owed under this Contract, so long as upon written request Supplier will provide Customer with such evidence of such costs and expenses as Customer may reasonably require so long as such costs are in accordance with applicable Florida statutes;

4.2. Charges for cost of travel, accommodation and subsistence, and expenses incurred outside of Florida or in excess of \$500.00 per individual item should be preapproved by Customer;

4.3. Supplier shall invoice Customer in accordance with the Pricing Schedule. Unless specified otherwise, payment of all amounts due under the Contract shall be made within forty-five (45) days of the date of invoice.

4.4. If Customer disputes the contents of any invoice, it shall provide Supplier in writing with reasons for non-payment and supporting evidence. In such event, Customer shall be entitled to suspend payment of the disputed part of the invoice. The parties shall discuss the disputed amount of the invoice as soon as possible. If it is established that the reasons are justified, the invoice shall be adjusted and Customer shall pay the remaining balance within forty-five (45) days after receipt of the

adjusted invoice. If it is established that the reasons are unjustified, Customer shall pay the disputed balance immediately, together with interest. Any part of an invoice properly disputed by Customer shall not affect payment of the undisputed portion. If no notification of dispute is received by Supplier within forty-five (45) days of Customer's receipt of the invoice for such costs or expenses, Customer shall be precluded from disputing payment of such invoice; and

4.5. Supplier reserves the right to charge Customer interest in respect of the late payment of any sum due under this Contract at the rate of one and one-half percent (1.5%) per month (or, if less, the maximum allowed by applicable law) on the overdue balance. Such interest shall immediately be paid by Customer upon first demand. All amounts due under this Contract shall be paid in full without any deduction or withholding other than as required by law.

5. Suspension of Services

If after the due date for payment has passed, payment due under the terms of this Contract is not made within forty-five (45) days of a written demand sent to Customer, Supplier may at its discretion suspend the performance of the Services or any part thereof until payment in full is received from Customer. If upon resumption of the Services, Supplier is required to carry out any services or incur any costs which but for the suspension would not have been carried out or

incurred, Customer shall reimburse the cost of any such service and costs, which shall be paid within forty-five (45) days of the date of the invoice. Any period of suspension shall be treated as a delay caused by Customer.

6. Communication

6.1. Customer shall nominate a person with the necessary knowledge and experience relevant to the provision of the Services and with the requisite knowledge of Customer's business (including but not limited to Customer's organization, its operations and business practices) as its representative and as the prime point of contact with Supplier and through whom all communication with Supplier shall be made (the "Customer Project Manager"). The Customer Project Manager shall:

6.1.1. Serve as the interface between the Supplier and all departments of the Customer participating in the Project;

6.1.2. In conjunction with the Supplier Project Manager, handle each Project Change Control;

6.1.3. Obtain and provide all information, data, decisions, and approvals, within two (2) working days of his receipt of a request from the Supplier, unless the Parties (acting reasonably and promptly) agree to extend the response time;

6.1.4. Resolve deviations from the Project Plan that are attributable to the Customer; assist with the resolution of any

issues with the Project, and escalate those issues internally, as necessary; and

6.1.5. Monitor and report to the senior management of the Customer on the status of the Project.

6.2. Supplier shall nominate a representative who shall be responsible for monitoring and reviewing the performance of the Contract and through whom all communication with Customer shall be made (the "Supplier Project Manager"). All significant concerns should be addressed to Supplier Project Manager in writing and delivered by certified mail.

6.3. Each Party may at any time substitute another suitable person as its representative, and shall give notice to the other party of any such substitution.

6.4. The Parties' representatives shall meet periodically as agreed between the Parties to review the Services and to deal with any requests and problems as may have arisen in the period prior to the review.

6.5. Either Party shall be entitled to call a meeting upon not less than three (3) days' notice if that party reasonably considers that there are issues which need to be discussed and/or resolved relating to the Services. Both Parties shall use all reasonable endeavors to attend meetings called on shorter notice when urgently required. Any such meeting may if the Parties agree be carried out by teleconference or videoconference.

7. Employment of Personnel

- 7.1. Supplier warrants that the personnel assigned by Supplier to the provision of the Services possess the degree of skill and experience appropriate to the tasks to which they are allotted. Supplier shall use reasonable endeavors to maintain the personnel so allotted but may substitute other suitably qualified personnel in connection with its own business requirements or if such personnel are for any reason absent from work. If any assigned personnel are promoted to a higher job category during the period of the Contract and Customer has requested that any such personnel should continue to provide Services, Supplier may adjust the Pricing Schedule to take account of the increased cost to Supplier of employing such personnel.
- 7.2. During the period of the Contract and for a period of six (6) months thereafter neither party shall without the prior written consent of the other party either directly or indirectly or in conjunction with any other person induce any employee or contractor of the other party or its Associated Companies who is or has, in the case of the Supplier's employees, been directly involved in the Supply or, in the case of the Customer's employees, been involved in the purchase of the Services to leave his employment and become an employee of such Party or any Associated Company of such Party;
- 7.3. As part of the written consent referred to in Clause 8.2, the Party giving the consent (the "Original

Employer") may require the other Party to make a payment to the Original Employer to reflect the cost of recruiting a replacement for such employee and to cover any losses and costs incurred by the Original Employer as a result of such employee ceasing to be employed by the Original Employer.

8. Intellectual Property Rights

- 8.1. Unless otherwise agreed in writing, any Intellectual Property Rights arising solely out of and in the course of the work carried out by Supplier as part of the Services shall vest in Supplier.
- 8.2. Subject to the payment of all sums due to Supplier under the Contract, Supplier agrees to grant or procure the grant to Customer of a non-exclusive, perpetual, royalty-free license (but with no right to sub-license the use to any third party) of the Intellectual Property Rights referred to in Clause 9.1 to use and reproduce the same in connection with the running of its own business.
- 8.3. To the extent that Supplier requires a license under any Intellectual Property Rights vested in or licensed to Customer to enable Supplier to carry out the Services, Customer hereby grants to Supplier, Supplier's Associated Companies, agents and sub-contractors engaged in providing the Services and warrants that it has the right so to grant a non-exclusive, royalty-free license for the duration of the Contract;
- 8.4. Infringement Notification:
- 8.4.1. Supplier shall forthwith notify Customer if any claim or demand is made or action brought against Supplier for

infringement or alleged infringement of any Intellectual Property Rights which may affect the use by Customer of the Services;

- 8.4.2. Customer shall forthwith notify Supplier if any claim or demand is made or action brought against Customer for infringement or alleged infringement of any Intellectual Property Rights in connection with the Services. Supplier shall have the right at its own expense to conduct any litigation arising therefrom and all negotiations in connection therewith and in such event Customer hereby agrees to grant to Supplier exclusive control of any such litigation and such negotiations;
- 8.4.3. Customer shall at the request of Supplier afford to Supplier all reasonable assistance for the purpose of contesting any claim or demand made or action brought against Customer or Supplier for infringement or alleged infringement of any such Intellectual Property Rights brought by third party vendors of Customer and shall be repaid all costs and expenses (including but not limited to reasonable attorneys' fees, costs, post judgment interests, and appellate attorneys' fees, costs, post judgment interests) incurred in so doing;
- 8.4.4. Customer shall not make any admissions which may be prejudicial to the defense or settlement of any claim,

demand or action for infringement or alleged infringement of any such Intellectual Property Rights by Customer or Supplier;

- 8.4.5. If a claim, demand or action for infringement or alleged infringement of any such Intellectual Property Rights is made in connection with the provision of the Services or in the reasonable opinion of Supplier is likely to be made, Supplier may at its own expense either:

- 8.4.5.1. Modify the way the Services are provided, without reducing the performance and functionality of the same, so as to avoid the infringement or the alleged infringement and the terms herein shall apply mutatis mutandis to such modified Services; or
- 8.4.5.2. Procure a license on such terms as it shall think fit for Supplier to perform the Services and on terms which are reasonably acceptable to Customer.

- 8.5. The foregoing provisions of this Clause shall not apply insofar as any such claim or demand or action is in respect of:

- 8.5.1. Any use by or on behalf of Customer of anything supplied by Supplier under this Contract in combination with any item not so supplied where such use of the item directly gives rise to the claim, demand or action; or

8.5.2. Any modification carried out by or on behalf of Customer to any item supplied by Supplier under this Contract if such modification is not authorized by Supplier in writing; or

8.5.3. Customer's unreasonable refusal to use a modified form of the Services supplied pursuant to Clause 9.4.5.

8.6. If Supplier has availed itself of its rights to modify the way the Services are provided under Clause 9.4.5.1 or to procure a license in accordance with Clause 9.4.5.2 and such exercise of the said rights has avoided any claim, demand or action for infringement or alleged infringement, then Supplier shall have no further liability thereafter in respect of the said claim, demand or action.

8.7. Customer hereby warrants that any instructions given in relation to Supplier's use of any third party item supplied directly or indirectly by Customer shall not cause Supplier to infringe any third party's Intellectual Property Rights in such item.

9. Liability

9.1. The Supplier's liability in respect of (i) death or personal injury; and (ii) fraud or fraudulent misrepresentation, including statements made by Supplier fraudulently prior to the date of this Contract shall not be limited;

9.2. The Supplier's liability for direct physical damage to the Customer's tangible property under this Contract shall be limited to five million dollars (\$5,000,000). Supplier shall annually provide

customer with evidence of insurance meeting this minimum threshold.

9.3. The Supplier shall have no liability to the Customer for:

9.3.1. Loss of profits, revenue, savings, data, programs or electronic records, business, goodwill, loss of productivity, loss of use, or loss of contracts; and

9.3.2. Any type of indirect or consequential loss or damage; and

9.3.3. Supplier shall be liable to Customer for provable damages caused by Supplier.

9.4. The Supplier has no liability hereunder unless written notice has been received within six (6) months of the cause of action giving rise to the claim occurring, giving reasonable details of the subject matter of the claim. Notwithstanding the foregoing, no action, regardless of form, arising out of the subject matter of the Contract may be brought by either Party more than one year after completion of the Services except that action for non-payment may be brought by the Supplier within one year after the expiration or termination of the Contract or one year after the date of last payment whichever is later.

9.5. There are no implied warranties or liabilities.

10. Force Majeure

If either Party's performance of its obligations is affected by Force Majeure it shall forthwith notify the other Party of the nature and extent thereof. If by reason of Force Majeure, either Party is

unable to perform or there are delays by such Party in the performance of any such obligation, then in the event that Force Majeure affects such Party's obligations, such party's performance of any such obligation shall be suspended as long as the Force Majeure continues and the time for performance of that obligation shall be extended accordingly, and the party otherwise in default shall not in any event be liable to the other Party for any loss or damage whatsoever and howsoever arising (whether direct or indirect loss of damage) incurred or suffered or for any breach of any of the terms of the Contract by reason of such Force Majeure.

11. Confidentiality

11.1. Each Party ("the receiving Party") shall at all times during the continuance of this Contract and after its termination:

11.1.1. Maintain confidential all information given to him by the other Party ("the disclosing Party") at any time in respect of the business and affairs of the other Party, whether initially disclosed orally or in writing, or in the form of samples, models, computer data or Software, or by demonstration or otherwise, which is by its nature confidential or is previously identified or indicated to the receiving Party by the disclosing Party as being confidential information ("the Information") in compliance with Florida statutes; and

11.1.2. Not use the Information other than for the purposes of this Contract;

11.2. Information disclosed pursuant to this Contract shall be stored securely. Upon completion or termination of this Contract the receiving Party shall return all Information and all permitted copies of the same to the disclosing Party, save where archive copies kept by the receiving Party are required by law or a relevant regulatory authority.

11.3. Except where the disclosing Party gives written instructions to the receiving Party at any time that the obligations of confidentiality in respect of specified items of Information should be maintained for a different period, the receiving Party's obligations pursuant to this Contract shall notwithstanding subsequent termination continue for a period of five (5) years or as otherwise provided in Florida statutes.

12. Duration and Termination

12.1. The duration of this Contract shall be for a minimum initial term of five (5) years;

12.2. It is acknowledged that Supplier will need to invest substantial resources into the initial phases of this Contract that would not make the Project feasible on any shorter term than five (5) years; and

12.3. In the event, Customer seeks early termination of the Contract, the term of performance of the Contract will be accelerated to end upon termination and the full amount owed under the Contract will be owed without any set off for any work that has not yet been completed. The remaining unpaid

balance owed under the contract shall become immediately due without setoff or reduction for work that has not yet been completed. By terminating this Contract early, Customer accepts all work is being fully completed and satisfactory and shall have no claims against Supplier; and

13. Consequences of Termination or Expiration

Upon termination or expiration of the Contract, Supplier shall be entitled to enter upon the premises of Customer for the purposes of recovering any equipment or materials which are the property of Supplier, for which purpose Customer hereby grants Supplier an irrevocable license to enter any such premises with reasonable notice to the customer and at reasonable times.

14. Risk of Loss

All work, including data, delivered to Customer by Supplier ("Deliverables") shall become the responsibility of Customer to protect from loss, damage or destruction on delivery and Customer assumes such responsibility and the related risk. Deliverables shall be considered delivered either when Customer takes physical possession of them directly from Supplier, when they are stored at Customer's location.

15. Assignment of Agreement

Neither Party may assign or subcontract (in whole or in part) any of the benefit of or their obligations under the Contract without the written consent of the other Party, except that: (i) the Supplier may assign the benefit subject to the burden of this Contract (or any part thereof) to any Associated Company; (ii) Supplier shall be entitled to sub-contract any of its obligations

under this Contract to any other person with the consent of Customer, such consent not to be unreasonably withheld or delayed, except that such consent shall not be required in the case of Supplier subcontracting its obligations to an Associated Company; and (iii) the Supplier shall have the right to assign its right to receive due payment of any Total Charges to a third party and the Supplier shall inform the Customer of the identity of such third party if and when such assignment takes place. Subject to the other provisions of this Clause 17, this Contract is binding upon and shall ensure for the benefit of the parties' personal representatives, assigns and successors in title.

16. Waiver

The waiver by either Party of a breach or default of any of the provisions of this Contract by the other Party shall not be construed as a waiver of any succeeding breach of the same or other provisions nor shall any delay or omission on the part of either party to exercise or avail itself of any right power or privilege that it has or may have hereunder operate a waiver of any breach or default by the other party.

17. Notices

Any notice or other communication required to be given pursuant to the Contract shall be in writing and given in English, delivered certified mail unless otherwise required by Florida statutes.

18. Invalidity and Severability

If any provision of the Contract shall be found by any court to be invalid or unenforceable to the invalidity or unenforceability of such provision shall not affect the other provisions of the Contract and all provisions not affected

by such invalidity or unenforceability shall remain in full force and effect. The Parties hereby agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision which achieves to the greatest extent possible to economic legal and commercial objectives of the invalid or unenforceable provision.

19. Agency Partnership or Joint Venture

The Contract shall not operate so as to create or recognize an agency, partnership or joint venture of any kind between the parties hereto.

20. Whole Agreement

Unless otherwise agreed in writing the Contract supersedes and invalidates all other commitments, representations and warranties relating to the subject matter hereof which may have been made by the Parties either orally or in writing prior to the date hereof, save in respect of statements made fraudulently. The Contract may only be amended by written document signed by the Parties' authorized representatives.

21. Governing Law

This Contract shall be governed by and shall be construed in accordance with the laws of the State of Florida, without giving effect to choice of law or conflicts of law provisions. Any dispute arising out of this Contract shall be adjudicated solely in the applicable federal or state courts within the State of Florida. The Parties each agree that they are subject to the personal jurisdiction of those courts, and each waives the right to challenge the personal jurisdiction of those courts over it.

22. Third Party Rights

A person who is not a party to this Contract has no right to enforce any term of this Contract.

23. Attorneys' Fees

If litigation is required to enforce any provision of this Contract, the prevailing Party shall be entitled to recover expenses, costs and attorneys' fees, including post judgment interest and appellate expenses, costs, and attorneys' fees including post judgment interest.

24. Indemnity

Supplier agrees to defend, indemnify and hold Customer harmless of and from any and all claims, demands, losses, damages, injury, death, penalties, Suits, judgments, liens and encumbrances and liabilities, costs, expenses, and fees, including, without limitation, reasonable attorney's fees, costs and expenses of litigation (claims) approximately caused by the negligent performance by Supplier, or its officers, employees, authorized agents or representatives of Supplier's duties and responsibilities of this agreement or Supplier's other breach of this Agreement.

SCHEDULE A

SERVICES

Supplier's Duties

1. **Project Manager:** Prior to the commencement of services, the Supplier will designate a duly experienced, qualified and authorized employee, to be its Project manager (the "Supplier Project Manager"), to whom all of the Customer's communications will be addressed.
2. **Project Management:** Supplier will provide direction and control of Project Personnel, and a framework for Project communications, reporting, and procedural and contractual activities, including the following:
 - 2.1. Maintaining Project communication with the Customer's Project Manager;
 - 2.2. "Green Light Document" management to achieve milestones of the Project Plan to be approved by Customer before proceeding with the next step of the Project Plan.
 - 2.3. "Red Light Document" management and amendments to the Project Plan for any issues that may arise (either Customer or Supplier related) that may slow the progression of the Project Plan; and
 - 2.4. Coordinating and managing the technical activities of Project Personnel.
3. **Project Management Deliverables:**
 - 3.1. Supplier will create and maintain a Project Plan and provide monthly status reports to Customer in an organized fashion, for the purpose of assisting the Customer in setting the expectations of the Users and the Customer's Project Manager.
4. **Records Archiving Solution:**

BlueGEM will provide a totally functional system providing for the digitization of Brevard County current and historical documents ("Documents") per Florida statutes. This system will be the result of finely tuned testing at several levels including unit, system, integration, stress, and parallel procedures. All process will be in compliance with applicable local, state and federal regulations.

- 4.1 Documents are recorded as having arrived and accepted by BlueGEM staff;
- 4.2 Documents are securely stored until ready for digitization;
- 4.3 Documents are prepped for digitization;
- 4.4 Documents are indexed and scanned with scanner hardware;
- 4.5 Quality check performed on preset percentage of files;
- 4.6 Electronic files sent to the designated data center for redaction service;
- 4.7 Electronic files are processed via redaction services;
- 4.8 Redacted files sent back to BlueGEM for quality control process;
- 4.9 Approved redacted files and original digitized files are sent electronically to Brevard County;
- 4.10 Confirm with Brevard County staff original scanned images and redacted images meet quality assurance standards;
- 4.11 Upon acceptance and approval, original digitized files and redacted digitized files are imported into the Brevard County Clerk of Court document management system per interface specifications; and
- 4.12 Original hard copies of the digitized records are released by Brevard County Clerk of Court staff for destruction.

5. Record Archiving Solution Deliverables:

BlueGEM will work with the County to create a final project plan that delineates each step of the document management process, each deliverable and the specifications required to meet the goals of the County within the budget established by the County.

- 5.1. Clerk-specific end-user training;

- 5.2. A project timeline and budget;
- 5.3. Scanning capabilities (300 dpi minimum, multi-page, TIFF format);
- 5.4. Redaction services with 95%+ accuracy;
- 5.5. Process-specific end-user training documentation (delivered prior to start of training);
- 5.6. Complete and robust procedural documentation for Clerk functional staff; and
- 5.7. Documentation detailing disaster recovery systems, plans and failover testing.

Within the BlueGEM system, all documentation will be captured at the point of scanning at our scanning facility. Simultaneously, a copy of the scanned document is transmitted to the designated data center to be held for redaction to create redundancy that serves to preserve each scanned document while the original paper document remains held in secure storage.

In the event that either system goes offline, all scanned documents will remain stored within the systems that are geographically isolated for safety. At BlueGEM's scanning facility we intend to also provide redundant scanning capability in the form of multiple scanners with 24x7, 365, same-day service and support. Backups for both scanning and redaction services will be performed automatically at close of business each day.

- 6. **Digital Pen Solution Pilot Implementation:** This will be a 90-day Pilot project to begin upon written notification from Customer in which BlueGEM will provide the server and printer on loan. The Digital Pen Solution allows instantaneous capture of written data. To implement the Digital Pen Solution, the following steps need to be performed:

Design and review scope of the pilot project

- 6.1.1. Maximum of twenty Documents;
- 6.1.2. Deliver ten digital pens for use in the pilot;
- 6.1.3. Determine the success and completion criteria;
- 6.2. Installation of hardware and software for the digital pen solution;
- 6.3. Validation of usability of digital pen solution;
- 6.4. Train users on digital pen usage per scope of pilot implementation;

6.5. Implement digital pen solution to production;

6.5.1. Change Control Procedures will be implemented if Digital Pen goes to full production

Customer's Duties

1. Project Manager: Prior to the commencement of services, Customer will designate a duly experienced, qualified and authorized employee, to be its Project manager (the "Customer Project Manager"), to whom all of the Supplier's communications will be addressed;
2. Customer shall pay Eight Million Five Hundred Twenty Thousand Dollars (\$8,520,000.00) as described in Schedule B.
3. Customer shall pay One Hundred Twenty Thousand Dollars (\$120,000.00) as described in Schedule C.
4. Customer will provide six (6) current employees of Customer for a ninety (90) day transition period; during this period Customer will continue to assume all responsibilities for these employees' salaries and benefits;
5. Customer shall package and transport Documents to Supplier.
6. Customer shall diligently make documents available to Supplier in a manner that makes the timely accomplishment of the Project Plan feasible;
7. Customer agrees to:
 - 7.1. Host Site Visits for Supplier;
 - 7.2. Customer will be a Referral site; and
 - 7.3. Customer will allow for Supplier to reference Customer in Press Releases.

Term of the Contract

1. The Services performed under this Contract shall commence immediately upon execution of this Contract. Supplier shall have five (5) years during which to perform its duties under this Contract ("Contract Term"). Unless the Contract is extended in writing, Supplier shall have no responsibility to scan any documents filed or created or produced to Supplier after April 30, 2017.

2. As there are significant upfront costs to Supplier in performing this Contract, this Contract cannot be terminated by Customer unless Customer pays Supplier the entire remaining balance of the Contract amount not yet paid and signs a full release of Supplier from any and all liability arising out of this Contract and releases Supplier from any other performance of the remaining work under this Contract.
3. Customer has an option to extend the terms of this Contract by two (2) years at the same monthly rate paid during the final year of this Contract.

Early Termination:

1. If for any reason, this Contract is terminated by Customer prior to the five (5) year Contract Term, the entire balance of the contract price of Eight Million Five Hundred Twenty Thousand Dollars (\$8,520,000.00) not yet paid shall become immediately due and payable without further notice;
2. In the event that Customer terminates this contract prior to the five (5) year Contract Term, Customer shall waive any and all claims against Supplier for work performed under this Contract or for work not yet performed under this Contract; and
3. If Customer terminates this contract prior to the five (5) year Contract Term, Customer shall pay all fees and costs of Supplier incurred in collecting the remaining unpaid balance of the Contract amount of Eight Million Five Hundred Twenty Thousand Dollars (\$8,520,000.00), including but not limited to attorneys' fees, costs, and interests, inclusive of appellate attorneys' fees and costs and prejudgment and post judgment interest.

Exclusions and Limitations:

1. Secure Shredding/Destruction will be negotiated through a separate contract;
2. The Supplier cannot be held responsible for the correct configuration and support of any hardware or software that is not sourced directly from the Supplier;
3. If the Customer requires the provision of support on items that are not sourced from the Supplier, then the Supplier shall be entitled to Additional Total Charges;
4. The Services will be performed during normal business hours (being 8:00 am to 5:00 pm) on weekdays and not on weekends or public holidays unless the Parties agree otherwise (acting reasonably and promptly);

5. The Customer shall be fully responsible for the transition and implementation of the Deliverables to all of its production and other systems;
6. If for any reason a software or hardware defect within the Deliverables, the Customer shall inform the Supplier promptly, and the Supplier shall, without delay, apply all of its available resources to the resolution of that defect, and shall suspend the performance of all other Services until the defect has been satisfactorily resolved. The Customer shall not be liable for any such suspension; and.
7. Travel and Living Expenses are to be paid in addition to the pricing discussed in Schedule B and Schedule C and shall be paid within forty-five (45) days of receipt of invoices for such costs as allowed by Florida Statutes.

Schedule B

Historical Records Scanning Project

Pricing Schedule

Customer will pay Eight Million Five Hundred Twenty Thousand Dollars (\$8,520,000.00) under this Contract. Payment in full is nonrefundable and fully earned upon execution of this Contract. For financing purposes, payments will be made as described below:

Total Contract Amount	\$ 8,520,000.00	
Contract Guaranty Payment		\$ 500,000.00
Initial payment on contract signing of \$50,000.00 and Five (5) monththly payments of \$40,000.00 begining on July 1, 2012 through November 1, 2012.		\$ 250,000.00
Twelve (12) Monthly Payments starting on Dec 1, 2012 going through Nov 1, 2013 of \$120,000.00 each.		\$ 1,440,000.00
Eighteen (18) Monthly Payments starting on Dec 1, 2013 going through May 1, 2015 of \$145,000.00 each.		\$ 2,610,000.00
Twenty Four (24) Monthly Payments starting on June 1, 2015 going through May 1, 2017 of \$155,000.00 each.		\$ 3,720,000.00
Total (both columns should be equal)	\$ 8,520,000.00	\$ 8,520,000.00

5 Year Fixed Term. Customer has the option to sign a two (2) year extension at the same Monthly rate as the final year of this Contract.

In the event Supplier fails to meet any deliverable deadline established for implementation of the project, the Customer may withhold five percent (5%) of the next scheduled payment until the deliverable is completed.

Travel and Living expenses are to be billed to customer as incurred in accordance with Florida Statutes.

Schedule C
Digital Pen Pilot Project
Pricing Schedule

Pricing Schedule

Customer will pay One Hundred Twenty Thousand Dollars (\$120,000.00) under this Contract. Payment in full is nonrefundable and fully earned upon execution of this Contract. For financing purposes, payments will be made as described below:

Total Contract Amount	\$ 120,000.00	
Initial payment due upon contract signing		\$ 40,000.00
Second payment due November 1, 2012 of \$40,000.00		\$ 40,000.00
Third payment due December 1, 2012 of \$40,000.00		\$ 40,000.00
Total (both columns should be equal)	\$ 120,000.00	\$ 120,000.00

Travel and Living expenses are to be billed to customer as incurred in accordance with Florida Statutes.

N

BLUEGEM



Remit to: BlueGem
3050 West 13th Street
Cadillac, MI 49601
Tel: +1 (231) 775-0224
Fax: +1 (231) 775-1000

INVOICE
999102

TO:

Brevard County Clerk
Attn: Accounts Payable
700 South Park Avenue
Tusville, FL 32780

SAP VENDOR #: 447733

SAP P. O. #: 45000

SAP LINE ITEM #: _____

Account	Date	Due Date	Account
BREVARD	6/29/2012	Due: June 29, 2012	Accounts Payable



Brevard County Clerk of the Court - Scanning Contract
Initial payment due on contract signing

\$ 50,000.00

Handwritten signature

Invoice total \$ 50,000.00

Beneficiary: BlueGem LLC
Currency: USD
Correspondent Bank: Firstbank
Location: 114 West Pine Street
Cadillac, MI 49601
(231) 775-8000

Routing Number: 
Account Number: 

BLUEGEM



Remit to: BlueGEM
3060 West 13th Street
Cadillac, MI 49501
Tel: +1 (231) 775-0224
Fax: +1 (231) 775-1052

INVOICE

999103

SAP VENDOR #: 447733

SAP P. O. #: 45000

SAP LINE ITEM #: _____

TO:

Brevard County Clerk
Attn: Accounts Payable
700 South Park Avenue
Titusville, FL 32780

Customer	Date	Due Date	Contract
BREVARD	6/29/2012	Due: July 1, 2012	Accounts Payable

Brevard County Clerk of the Court - Scanning Contract
Monthly Payment - July 2012

\$ 40,000.00

RECEIVED
JUL 05 2012
CLERK'S FINANCE

[Signature]
03 July 2012

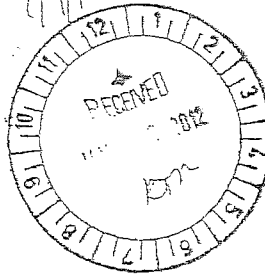
[Signature]
7/9/12

Invoice total

\$ 40,000.00

Beneficiary: BlueGEM LLC
Currency: USD
Correspondent Bank: Firstbank
Location: 114 West Pine Street
Cadillac, MI 49501
(231) 775-9000

Routing Number:
Account Number:



BLUEGEM



Remit to: BlueGEM
3050 West 13th Street
Cadillac, MI 49601
Tel: +1 (231) 775-0224
Fax: +1 (231) 775-1002

INVOICE

999105

TO: Brevard County Clerk
Attn: Accounts Payable
700 South Park Avenue
Tallahassee, FL 32380

SAP VENDOR #: 447733
SAP P. O. #: 45000
SAP LINE ITEM #: _____

Customer	Date	Term	Contract
BREVARD	6/29/2012	Due June 29, 2012	Accounts Payable



Brevard County Clerk of the Court - Scanning Contract
Digital Pen Pilot Project
Initial Payment due on Contract Signing

\$ 40,000.00

[Handwritten signature]
6/29/12

Invoice total \$ 40,000.00

Beneficiary: BlueGEM LLC
Currency: USD
Correspondent Bank: Firstbank
Location: 114 West Pine Street
Cadillac, MI 49601
(231) 775-9000

Routing Number: 
Account Number: 

0



Wire Transfer Debit Advice As Of 06/29/12 Distributed 06/29/12 10:53:19 AM EDT

Account: [REDACTED]
CLERK OF COURT BREVARD CTY AGENCY

Wire Transfer Debit

Amount: \$90,000.00 USD

Fed/IMAD Reference: [REDACTED]

SunTrust Reference Number: [REDACTED]

Beneficiary: [REDACTED]
BlueGem LLC

Beneficiary Bank: [REDACTED]
FIRSTBANK
SHEPHERD, MI

Originator: [REDACTED]
CLERK OF THE COURT-BREVARD COUNTY
AGENCY ACCOUNT
400 SOUTH STREET
TITUSVILLE FL 32780-7663

Sender Reference: Contract Signing

Originator Reference: Contract Signing

Money Transfer Customer Service

Please contact us for further information about this or other funds transfers. You may reach us at 1-800-947-3786 for information regarding domestic or international transfers. When inquiring about this transaction, please have the SunTrust Reference Number (above) available.

Thank you for banking with SunTrust.

P



Wire Transfer Debit Advice As Of 07/09/12 Distributed 07/09/12 8:53:19 AM EDT

Account: [REDACTED]
CLERK OF COURT BREVARD CTY AGENCY

Wire Transfer Debit

Amount: \$40,000.00 USD

Fed/IMAD Reference: [REDACTED]

SunTrust Reference Number: [REDACTED]

Beneficiary: [REDACTED]
BlueGem LLC

Beneficiary Bank: [REDACTED]
FIRSTBANK
SHEPHERD, MI

Originator: [REDACTED]
CLERK OF THE COURT-BREVARD COUNTY
AGENCY ACCOUNT
400 SOUTH STREET
TITUSVILLE FL 32780-7683

Sender Reference: July 2012

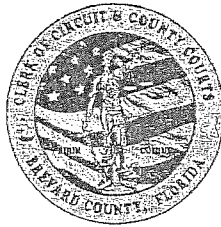
Originator Reference: July 2012

Money Transfer Customer Service

Please contact us for further information about this or other funds transfers. You may reach us at 1-800-947-3786 for information regarding domestic or international transfers. When inquiring about this transaction, please have the SunTrust Reference Number (above) available.

Thank you for banking with SunTrust.

Q



MITCH NEEDELMAN
CLERK OF THE CIRCUIT AND COUNTY COURTS
BREVARD COUNTY, FLORIDA

"Our mission is to provide superior customer service to all those we serve. As a Public Trustee, the Clerk will diligently perform the duties and functions of this office, always keeping a focus on the rights of the individual citizen." ~Taylor Sakuma

August 13, 2012

Mr. David Doty
FNTI, Inc.
8592 Jody Circle South
Cottage Grove, MN 55016
David.doty@finti-imaging.com

Or;
2123 Ringwood Ave,
San Jose, CA 95131

Re: your request for information on July 2, 2012 to Mr. McDaniel.

Dear Mr. Doty,

Your request was referred to me for response. First, let me thank you for your submittal in response to our ITN. Your company has excellent credentials.

In our review, there were several key items that were of concern. First, your company could not verify where the digitization process would be accomplished though your submittal mentioned that you could perform in Orlando. As you know, the Supreme Court of Florida is the actual "owner" of the records and the Clerks' offices are tasked with providing the security and storage. Therefore, we were concerned about where the process would occur.

Fundamental to the best value we were looking for was a proposal for a fixed price that would provide our office with the ability to budget annually for the projected incremental costs. We were also sensitive to potential change orders that would make budget projections difficult. Your proposal provided the single cost per

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Fax 321-637-6538
merrily.longacre@brevardclerk.us
<http://www.brevardclerk.us>

page, action, duty, etc. and would require us to use unknown multipliers to reach the potentially moving target of costs. Some items of cost were listed as "TBD". We were looking for a more fixed cost predictable starting point and the ITN actually set that out in saying that our criteria would be for Milestones and deliverables-based fixed price solution [At 2.2 of the ITN]. From your previous work, particularly in Hawaii, we could surmise that your total for the whole project over time would have been more than \$7.7 million dollars [Your page 19]. However, we could not determine if that would have been the fixed price solution for our job by the cost per unit in cents and short dollars.

I have prepared answers to your precise questions and I have also provided you with some of the law that applies actually to Constitutional Officers on the county level and to this required digitization and redaction project required of all Clerks throughout the state.

1. The Blue Gem response, the FNTI response and the AMCAD response have all been placed on an adobe digital copy and we will be happy to send you hard copies or electronic versions. If you wish, you may obtain all of the information you requested from our KisTrac. Please advise Katrina Pringis as below and she will provide directions for you to view that information through that portal on the web.
2. The Clerk of Court is a Constitutionally Elected local official. The clerk is not required to follow the directives of chapter 287¹ and in particular §287.057 Florida Statutes. Please find attached several AGO opinions on the subject regarding county Constitutional Officers not being State Agencies. In particular, please see AGO 88-31.
3. The Clerk, however, chose to evaluate what was available for this legislative and Supreme Court mandated job.² This office wanted to explore all options because the job is massive; the cost is very large over the 5 years that it will take to place multi-millions of documents on electronic media as per the directions of the Supreme Court of Florida and the Legislature. Within approximately a year, the Official Record of the Courts will be mandatorily the electronic versions.
4. I researched and found that we had 7 inquiries when we published the ITN but only 3 submittals as outlined and provided above.
5. The "Court" did not respond to you. But on July 23, 2012, the Court ordered the Clerk's Office to provide Mr. Scott Ellis with a copy of your request and all responses we make to you. That is, he has already received your inquiry to Mr. McDaniel of July 2, 2012, and he will be forwarded an electronic version of this response to you. You have already responded that

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you have no connection to Mr. Ellis and that Mr. Ellis in no way speaks for you or your company.

6. The Clerk responds to you that in fact that there was, on May 16, 2012, at the bid opening, a score sheet and that score sheet provided the set-outs as in 2.2 of the ITN and other Best Value Criteria. Again, the Constitutionally Elected Clerk's Office did not have to follow the dictates of chapter 287 as the Clerk, the Property Appraiser, the Supervisor of Elections and the Tax Collector are not state agencies governed by §287. AGO 88-31
7. The scoring for best value is self explanatory. We have all on electronic media including all contracts and all submittals. I will be happy to provide these to you upon your request to Katrina Pringis at Katrina.Pringis@brevardclerk.us. There will be a \$0.15 per page charge for us to produce to you but no charge to obtain those documents from the KisTrac.

Thank you for your interest in our office. Again I wish to commend your company for some very outstanding attributes.

Sincerely,



Merrily T. Longacre, Esq.
Chief Staff Counsel
Brevard County Clerk of Court

CC: Mitch Needelman
Renee McGrory
Carole Rooksberry
Diana Spivey
Sean Campbell
Katerina Pringis

Attachments

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FOOTNOTES

1

§287.012

(1) "Agency" means any of the various state officers, departments, boards, commissions, divisions, bureaus, and councils and any other unit of organization, however designated, of the executive branch of state government.

"Agency" does not include the university and college boards of trustees or the state universities and colleges.

(2) "Agency head" means, with respect to an agency headed by a collegial body, the executive director or chief administrative officer of the agency.

(12) "Exceptional purchase" means any purchase of commodities or contractual services excepted by law or rule from the requirements for competitive solicitation, including, but not limited to, purchases from a single source; purchases upon receipt of less than two responsive bids, proposals, or replies; purchases made by an agency, after receiving approval from the department, from a contract procured, pursuant to S. 287.057 or by another agency; and purchases made without advertisement in the manner required by S287.042(3)(b)

(16) "Invitation to negotiate" means a written or electronically posted solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or contractual services.

2.

§28.22205 Fla. Stats.

Rules of Judicial Administration, Rule 2.420

Rules of Judicial Administration, Rule 2.430

§119.0714 Fla. Stats. – required redaction

§28.2221

§28.2222

SC12-399 - *The proposed amendments will also require the clerks' offices to maintain electronic court records, to convert paper documents to electronic documents, and to electronically transmit the record on appeal. [Supreme Court comments to 2. 516 and others regarding e-filing requirements of the Clerk regarding judicial records.]*

Rules of Judicial Administration, Rule 2.516 – Just approved [June 21, 2012]

Rules of Judicial Administration, Rule 2.525

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ATTACHMENTS

1988 Fla. Op. Atty. Gen. 101 (Fla.A.G.), Fla. AGO 88-31, 1988 WL 406991

Office of the Attorney General

State of Florida

AGO 88-31

August 2, 1988

*1 The Honorable Helen B. Gienau

Supervisor of Elections

Polk County

Post Office Box 1460

Bartow, Florida 33830-1460

Dear Ms. Gienau:

You ask the following question:

Are the provisions of Part I, Ch. 287, F.S., relating to competitive bidding, applicable to a supervisor of elections?

In sum, I am of the opinion that:

The provisions of Part I, Ch. 287, F.S., with the exception of s. 287.055, F.S., the Consultants' Competitive Negotiation Act, do not apply to a supervisor of elections.

You state that you are aware of AGO 84-24 in which this office stated that ss. 287.001-287.052, F.S., the State Purchasing Law, were not applicable to local constitutional officers such as the supervisor of elections. However, you state that your auditor has informed you that "inasmuch as the county processes bids for [the supervisor of elections] and pays [the supervisor's] accounts," you, as supervisor of elections, do not come under the opinion.

Section 287.012(1), F.S., defines "Agency" for purposes of Part I, Ch. 287, F.S., with the exception of s. 287.055, F.S.,¹ as any of the various state officers, departments, boards, commissions, divisions, bureaus, and councils and any other unit of organization, however designated, of the executive branch of state government. (e.s.)

Part I, Ch. 287, F.S., was brought into the statutes by s. 22, Ch. 69-106, Laws of Florida. As indicated by its title, Ch. 69-106 is an act relating to the executive branch of government. Its purpose was to restructure the executive branch of government and to consolidate and reorganize existing state agencies pursuant to the mandate of s. 6, Art. IV, State Const.²

This office has previously stated that "the agencies covered by the state purchasing laws are those agencies within the executive branch of state government. To be subject to the purchasing requirements of Ch. 287, F.S., an entity would have to be assigned within the executive branch of government by Ch. 20, F.S. ... or a later enactment."³ (e.s.)

A supervisor of elections is a county constitutional officer.⁴ The supervisor of elections as a county officer is not a state agency and thus is not subject to the competitive bidding requirements contained in Part I of Ch. 287 (except s. 287.055, F.S.).⁵ While s. 287.042, F.S., authorizes a county, municipality, or other local public agency, to utilize the state purchasing agreements,⁶ such local governmental entities are not required to comply with the provisions of Part I. I am not aware of any statutory provision which requires the supervisor of elections, or any other county officer, to submit to competitive bidding in purchasing materials, equipment, and supplies.

While your letter states that the county processes bids for you and pays your accounts, such actions by the county do not make you (or the county) a state agency for purposes of Part I, Ch. 287, F.S. Accordingly, I am of the opinion that the conclusions reached in AGO 84-24 are applicable to you, as supervisor of elections.

*2 Counties may now provide by ordinance the procedures to be used in that county for purchasing commodities or may deal with each purchase or contract on an individual basis, with or without competitive bidding, as may best serve the public interest.⁷ However, supervisors of elections are statutorily guaranteed their independence from the counties in making purchases. Section 129.202(2), F.S., provides:

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The independence of the supervisor of elections shall be preserved concerning the purchase of supplies and equipment; the selection of personnel....⁸
In AGO 78-122, this office considered that similar language contained in s. 30.53, F.S., providing for the sheriffs' independence. This office stated that to require the sheriff to submit his needs to the board of county commissioners for competitive bids "would effectively take away his purchasing power and place it back in the board of county commissioners." Thus, this office concluded that the sheriffs were not required to take competitive bids in purchasing goods, supplies and equipment.⁹
The independence of the supervisor of elections to make his own purchases for his office is also statutorily guaranteed. I am, therefore, of the opinion that the provisions of Part I, Ch. 287, F.S. (except s. 287.055, F.S.), are not applicable to the supervisor of elections.

Sincerely,
Robert A. Butterworth
Attorney General

Footnotes

1

Section 287.055, F.S., the Consultants' Competitive Negotiation Act, defines "Agency" for purposes of that statute as the state or state agency, municipality, or political subdivision, a school district or a school board. The act sets forth the procedures to be followed for the acquisition of professional architectural, engineering, landscape architectural, or land surveying services.

2

Attorney General Opinion 76-185.

3

See, AGO's 76-202 and 76-185.

4

Section 1(d), Art. VIII, State Const., provides in part:
COUNTY OFFICERS. There shall be elected by the electors of each county, for terms of four years, a sheriff, a tax collector, a property appraiser, a supervisor of elections, and a clerk of the circuit court....

5

Attorney General Opinion 84-24 (ss. 287.001-287.052, F.S., do not apply to the supervisor of elections); AGO 78-122 (sheriff not subject to competitive bid requirements contained in State Purchasing Laws). And see, AGO's 78-19 (Broward County Housing Authority not a state agency within purview of State Purchasing Laws); 77-140 (municipality not a state agency for purposes of Part I, Ch. 287, F.S.); 77-22 (special district not a state agency for purposes of Part I, Ch. 287, supra).

6

See, s. 287.042(2)(a), F.S., as amended by s. 7, Ch. 88-384, Laws of Florida.

7

Attorney General Opinions 78-122 and 71-366. A statute which formerly required counties to competitively bid when purchasing goods, supplies or materials (s. 125.08, F.S.1969), was repealed by Ch. 71-14, Laws of Florida, amending s. 125.01, F.S. to implement the home rule provisions of s. 1, Art. VIII, State Const.

8

See generally, s. 219.201, F.S.

9

Attorney General Opinion 78-122 also concluded that sheriffs may, but are not required to, utilize a system of competitive bidding when purchasing goods, supplies, and equipment for their offices.

1988 Fla. Op. Atty. Gen. 101 (Fla.A.G.), Fla. AGO 88-31, 1988 WL 406991

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Office of the Attorney General

State of Florida

AGO 88-31

August 2, 1988

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Supervisor of Elections

Polk County

Post Office Box 1460

Bartow, Florida 33830-1460

Dear Ms. Gienau:

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In sum, I am of the opinion that:

The provisions of Part I, Ch. 287, F.S., with the exception of s. 287.055, F.S., the Consultants' Competitive Negotiation Act, do not apply to a supervisor of elections.

You state that you are aware of AGO 84-24 in which this office stated that ss. 287.001-287.052, F.S., the State Purchasing Law, were not applicable to local constitutional officers such as the supervisor of elections. However, you state that your auditor has informed you that "inasmuch as the county processes bids for [the supervisor of elections] and pays [the supervisor's] accounts," you, as supervisor of elections, do not come under the opinion.

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any of the various state officers, departments, boards, commissions, divisions, bureaus, and councils and any other unit of organization, however designated, of the executive branch of state government. (e.s.)

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was to restructure the executive branch of government and to consolidate and reorganize existing state agencies pursuant to the mandate of s. 6, Art. IV, State Const.²

This office has previously stated that "the agencies covered by the state purchasing laws are those agencies within the executive branch of state government. To be subject to the purchasing requirements of Ch. 287, F.S., an entity would have to be assigned within the executive branch of government by Ch. 20, F.S. ... or a later enactment."³ (e.s.)

A supervisor of elections is a county constitutional officer.⁴ The supervisor of elections as a county officer is not a state agency and thus is not subject to the competitive bidding requirements contained in Part I of Ch. 287 (except s. 287.055, F.S.).⁵ While s. 287.042, F.S., authorizes a county, municipality, or other local public agency, to utilize the state purchasing agreements,⁶ such local governmental entities are not required to comply with the provisions of Part I. I am not aware of any statutory provision which requires the supervisor of elections, or any other county officer, to submit to competitive bidding in purchasing materials, equipment, and supplies.

While your letter states that the county processes bids for you and pays your accounts, such actions by the county do not make you (or the county) a state agency for purposes of Part I, Ch. 287, F.S. Accordingly, I am of the opinion that the conclusions reached in AGO 84-24 are applicable to you, as supervisor of elections.

*2 Counties may now provide by ordinance the procedures to be used in that county for purchasing commodities or may deal with each purchase or contract on an individual basis, with or without competitive bidding, as may best serve the public interest.⁷ However, supervisors of elections are statutorily guaranteed their independence from the counties in making purchases. Section 129.202(2), F.S., provides:

The independence of the supervisor of elections shall be preserved concerning the purchase of supplies and equipment; the selection of personnel....⁸

In AGO 78-122, this office considered that similar language contained in s. 30.53, F.S., providing for the sheriffs' independence. This office stated that to require the sheriff to submit his needs to the board of county commissioners for competitive bids "would effectively take away his purchasing power and place it back in the board of county commissioners." Thus, this office concluded that the sheriffs were not required to take competitive bids in purchasing goods, supplies and equipment.⁹

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The independence of the supervisor of elections to make his own purchases for his office is also statutorily guaranteed. I am, therefore, of the opinion that the provisions of Part I, Ch. 287, F.S. (except s. 287.055, F.S.), are not applicable to the supervisor of elections.

Sincerely,
Robert A. Butterworth
Attorney General

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Section 287.055, F.S., the Consultants' Competitive Negotiation Act, defines "Agency" for purposes of that statute as the state or state agency, municipality, or political subdivision, a school district or a school board. The act sets forth the procedures to be followed for the acquisition of professional architectural, engineering, landscape architectural, or land surveying services.

2

Attorney General Opinion 76-185.

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See, AGO's 76-202 and 76-185.

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Section 1(d), Art. VIII, State Const., provides in part:
COUNTY OFFICERS. There shall be elected by the electors of each county, for terms of four years, a sheriff, a tax collector, a property appraiser, a supervisor of elections, and a clerk of the circuit court....

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Attorney General Opinion 84-24 (ss. 287.001-287.052, F.S., do not apply to the supervisor of elections); AGO 78-122 (sheriff not subject to competitive bid requirements contained in State Purchasing Laws). And see, AGO's 78-19 (Broward County Housing Authority not a state agency within purview of State Purchasing Laws); 77-140 (municipality not a state agency for purposes of Part I, Ch. 287, F.S.); 77-22 (special district not a state agency for purposes of Part I, Ch. 287, supra).

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See, s. 287.042(2)(a), F.S., as amended by s. 7, Ch. 88-384, Laws of Florida.

7

Attorney General Opinions 78-122 and 71-366. A statute which formerly required counties to competitively bid when purchasing goods, supplies or materials (s. 125.08, F.S. 1969), was repealed by Ch. 71-14, Laws of Florida, amending s. 125.01, F.S. to implement the home rule provisions of s. 1, Art. VIII, State Const.

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See generally, s. 219.201, F.S.

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Attorney General Opinion 78-122 also concluded that sheriffs may, but are not required to, utilize a system of competitive bidding when purchasing goods, supplies, and equipment for their offices. 1988 Fla. Op. Atty. Gen. 101 (Fla.A.G.), Fla. AGO 88-31, 1988 WL 406991

1984 Fla. Op. Atty. Gen. 55 (Fla.A.G.), Fla. AGO 84-24, 1984 WL 182488

Office of the Attorney General

State of Florida

AGO 84-24

March 22, 1984

SUPERVISOR OF ELECTIONS—COUNTY OFFICERS—applicability of state purchasing law to constitutional county officers. Part I, Ch. 287, §§ 287.001-287.052, F.S.

*1 Mr. Daniel L. Dwyer

Attorney

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Supervisor of Elections
Pasco County
402 East Church Avenue
Post Office Box 4
Dade City, Florida 34297-0004

Dear Mr. Dwyer:

This is in response to your request for an opinion on substantially the following question:
DO SECTIONS 287.001-287.052, F.S., CONTAINED IN PART I OF CHAPTER 287, THE STATE
PURCHASING LAW, APPLY TO LOCAL CONSTITUTIONAL OFFICERS SUCH AS THE
SUPERVISOR OF ELECTIONS?

Your letter of inquiry notes that the Supervisor of Elections in Pasco County is concerned about the
applicability of §§ 287.001 through 287.052, F.S. to his office.

Section 287.012(1), F.S.1983 expressly defines "agency" for the purposes of Part I of Ch. 287, F.S.,
as:

any of the various state officers, departments, boards, commissions, divisions, bureaus, and
councils and any other unit of organization, however designated, of the executive branch of state
government. (e.s.)

The terms "agency," "state agency," "state government," as used throughout Part I of Ch. 287, §§
287.001-287.052, also indicate the scope of application of that statute. See, e.g., §§ 287.012(3);
287.032; 287.042(1)(a), (2), (3), (4), (7), (8), (9), (11), (13), F.S.1983.

Compare, § 287.042(2) (expressly providing that any county, municipality or other local public
agency may purchase commodities under state purchasing agreements and exempting such
purchases from the competitive bid requirements otherwise applying to their purchases). See also, §
287.042(9) and the first sentence of subsection (2) of § 287.042, both of which indicate that counties
are not required to comply with the requirements of the State Purchasing Law; AGO 78-19

(concluding that the Broward County Housing Authority is not a state agency within the purview of
the State Purchasing Law relating to purchase of commodities); AGO's 77-140, 77-22, 75-56; and
see, § 129.202(2) (relating to the budget of the supervisor of elections, and providing that "the
independence of the supervisor of elections shall be preserved concerning the purchase of supplies
and equipment").

In light of the statutory definition contained in § 287.012(1), F.S., and the provisions of § 287.042, I
must conclude that §§ 287.001-287.052, F.S., contained in Part I of Ch. 287, do not apply to
constitutional county officers such as the supervisor of elections.

In summary, §§ 287.001-287.052, F.S., contained in Part I of Ch. 287, F.S., the State Purchasing
Law, do not apply to constitutional county officers such as the supervisor of elections.

Sincerely,
Jim Smith
Attorney General

Prepared by:

Anne Curtis Terry
Assistant Attorney General
1984 Fla. Op. Atty. Gen. 55 (Fla.A.G.), Fla. AGO 84-24, 1984 WL 182488

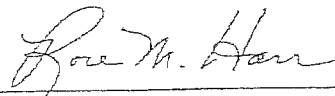
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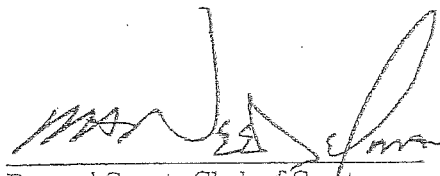
R

AMENDMENT TO BLUE GEM, LLC
BREVARD COUNTY CLERK OF COURT
CONTRACT DATED JUNE 29, 2012

The Parties agree to Amend the Contract dated June 29, 2012 as follows:

1. Payment under the contract pricing schedules B & C totaling \$8,640,000 is amended to \$6,100,000.
2. The revised total of \$6,100,000 will be paid from the loan financing provided by Hewlett-Packard Financial Services Company (hereinafter referred to as H-P), as follows:
 - a. \$5,100,000 will be paid by H-P directly to Blue Gem, LLC.
 - b. Blue Gem, LLC will provide a performance Bond acceptable to the Brevard County Clerk of Court in the amount of \$6,100,000.
 - c. H-P will disburse \$1,000,000 (or such actual Bond Premium) directly to the Bonding company for the Bond premium for the Performance Bond
3. All terms of the original contract not there with remain in full force and effect and specifically all performance standards and requirements imposed upon Blue Gem, LLC.


Blue-Gem, LLC


Brevard County Clerk of Court

Dated: October 22, 2012

Dated: October 22, 2012

3

PROMISSORY NOTE
No. 479236750100001

Amount: \$6,100,000.00

Dated: October 23, 2012

FOR VALUE RECEIVED, the undersigned ("Maker"), does hereby unconditionally promise to pay to the order of Hewlett-Packard Financial Services Company, or its successors or assigns (collectively, "Payee"), at 200 Connell Drive, Suite 5000, Berkeley Heights, NJ 07922, or at such other place as Payee or the holder hereof may designate, the principal sum of \$6,100,000.00, (Six million one hundred thousand and 00/100) or, if less, the aggregate principal amount of all the advances made by Hewlett-Packard Financial Services Company to or for the benefit of Maker together with interest thereon at the rate of 3.55% per annum, accruing daily and compounding monthly from the date hereof on the unpaid principal balance, and continuing without demand until this Promissory Note ("Note") is paid in full. Interest shall be calculated on the basis of a 360-day year for the actual number of days elapsed.

1. Payments

All payments of principal and interest shall be made in lawful money of the United States of America, and in immediately available funds. Principal, together with interest thereon, shall be paid in 60 consecutive equal monthly payments ("Installment(s)") of \$110,776.00 commencing on the day on which funds are first advanced by Payee pursuant to this Note to or for the benefit of Maker. Maker shall pay Payee the remaining monthly Installment(s) on or before the corresponding day of each month thereafter (whether or not Maker receives notice thereof) until all Installments and other monies owed by Maker hereunder are paid in full. The final Installment shall be equal to the then remaining unpaid principal balance, plus all accrued and unpaid interest and all other sums due hereunder.

2. Non-appropriation.

Maker reasonably believes that funds can be obtained sufficient to make all Installment payments and other amounts due during the term of this Note. Maker agrees that Maker's chief executive, chief financial or administrative officer will provide for funding for such Installment payments in Maker's annual budget request submitted to Maker's governing body. Maker and Payee agree that Maker's obligation to make Lease payments under this Note will be Maker's current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements. Nothing contained in this Note will be interpreted as a pledge of Maker's general tax revenues, funds or moneys. If (i) sufficient funds are not appropriated and budgeted by Maker's governing body in any fiscal period for all Lease payments and all other amounts due under this Note for such fiscal period, and (ii) Maker has exhausted all funds legally available for such payments, then Maker will give Payee written notice and this Note will terminate as of the last day of the fiscal period for which funds are available to pay amounts due under this Note. Such termination is without any expense or penalty.

3. Late Charge

Payment shall be made in accordance with Section 215.422, Florida Statutes, and for purposes of this provision only, Lessee shall be deemed to be a State Agency under that Section.

4. Application of Payments

Payments received by Payee on this Note shall be applied first to the payment of any late charge that is due and payable, second to the payment of interest that is due and payable, and then to the principal.

5. Maker's Warranties To Payee.

Maker expressly represents and warrants to Payee, and Payee relies on, each of the following statements: (a) Maker has read and understood this Note; (b) the interest portion of the Installment payments shall be excluded from gross income for federal income tax purposes, and Maker will do nothing to cause, nor fail to take action which results in, the interest portion of the Installment payments being includible in gross income for federal income tax purposes; (c) Maker is a political subdivision or agency or department of a State; (d) the entering into and performance of this Note are authorized under the laws and constitution of Maker's state and, to the best of Maker's knowledge, do not violate or contradict any judgment, law, order, or regulation, or cause any default under any agreement to which Maker is a party; (e) Maker has complied with all bidding requirements and, where necessary, have properly presented this Note for approval and adoption as a valid obligation on Maker's part; (e) Maker has sufficient appropriated funds or other moneys available to pay all amounts due under this Note for Maker's current fiscal period;

(f) the use of the Equipment is essential for Maker's proper, efficient and economic operation, Maker will be the only entity to own, use or operate the Equipment during the term of this Note and Maker will use the Equipment only for Maker's governmental purposes. Upon Payee's request, Maker agrees to provide Payee with an opinion of counsel as to clauses (b) through (f) above, a certificate of appropriations as to clause (e) above, an essential use letter as to clause (f) above, and any other documents that Payee requests, including information statements to be filed with the Internal Revenue Service, with all such documents being in a form satisfactory to Payee.

6. Events of Default

The following events shall each be an Event of Default: (a) Maker fails to pay when due any amounts payable hereunder or under any other obligation of Maker to Payee within 10 days of its due date; (b) Maker fails to observe or perform any other term, covenant or condition of this Note and such breach is not cured within 10 days after written notice thereof by Payee to Maker; (c) any statement, representation or warranty made by Maker in this Note or otherwise to Payee proves to be incorrect when made in any material respect; (d) Maker makes an assignment for the benefit of creditors, whether voluntary or involuntary; (e) a proceeding under any bankruptcy, reorganization, arrangement of debts, insolvency or receivership law is filed by or against Maker or Maker takes any action to authorize any of the foregoing; (f) Maker becomes insolvent or fails generally to pay its debts as they become due or Maker seeks to effectuate a bulk sale of Maker's inventory or assets; (g) Maker voluntarily or involuntarily dissolves or is dissolved, terminates or is terminated; or (h) Maker fails to perform or observe any representation, warranty, covenant, condition or agreement to be performed or observed by Maker in any other agreement with Payee and such breach is not cured within 10 days after notice thereof by Payee to Maker.

If an Event of Default occurs, Payee may, in its sole discretion, declare the entire unpaid principal balance of this Note, all accrued and unpaid interest and all other amounts payable hereunder to be immediately due and payable. Payee may pursue any remedy available at law or in equity upon the occurrence of an Event of Default.

7. Notices

Maker waives diligence, presentment, demand, demand for payment, notice (except as set forth above), protest and all other notices or demands in connection with the delivery, acceptance, performance, default and enforcement of this Note.

8. Maker's Representations and Warranties

To induce Payee to make the loan evidenced by this Note, Maker hereby represents and warrants to Payee that, as of the date hereof and as of the date Maker requests Payee to make a loan pursuant to this Note: (a) unless Maker is an individual, Maker is duly organized validly existing and in good standing under the laws of the jurisdiction of its organization; (b) this Note has been duly authorized, executed and delivered and constitutes a valid and legally binding obligation of Maker, enforceable against Maker in accordance with its terms subject to bankruptcy, insolvency and other laws generally affecting creditor rights; (c) the execution and delivery of this Note and performance hereunder by Maker will not violate any provision of applicable law or create a default under any material agreement binding on Maker; and (d) there are no actions or proceedings pending before any court or governmental authority, bureau or agency with respect to or threatened against or affecting Maker which, if determined adversely, would have a material adverse effect on the business, the assets or the financial condition of Maker.

9. Costs of Enforcement

If an Event of Default occurs, Maker agrees to pay all Payee's costs of enforcement or collection of this Note, including attorneys' fees and court costs, whether or not suit is brought against Maker.

10. Assignment

Maker may not assign or otherwise dispose of any of its rights or obligations hereunder. Payee may, without Maker's consent, assign, pledge, transfer, mortgage or otherwise convey any of its interests under this Note.

11. Prepayment

Upon not less than 30 days prior written notice to Payee, Maker shall have the right to prepay this Note in full and not in part, which shall be the total unpaid remaining monthly payments plus any and all late charges accrued.

12. Maximum Interest

In no event shall interest charged hereunder or other amounts due or any late charge hereunder, however such interest, late charge or other amounts may be characterized or computed, exceed the highest rate of interest or late charge permissible under any applicable law. To the extent interest hereunder or any late charge exceeds the highest rate of interest or late charge allowed by law, Payee shall promptly refund such excess interest or such excess late charge to Maker and the interest rate or late charge shall be deemed to be reduced, automatically and immediately (and if required by law, retroactively) to the maximum rate of interest or late charge allowed by law.

13. Notices

Any notices required by applicable law to be given to Maker shall be sufficient if mailed to Maker at the address set forth below or at such other address as Maker may provide by written notice to Payee. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed and with first class postage prepaid.

Maker's Address:

2825 Judge Fran Jamieson Way
Viera, FL 32940

14. Miscellaneous

This Note has been delivered to and shall be deemed to have been made in Florida, and shall be construed, performed and enforced in accordance with the internal laws (as opposed to conflicts of law provisions) and decisions of the state of Florida. Whenever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under applicable law such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note. Any reference in this Note to Payee or Maker shall be deemed to include, as applicable, reference to their respective successors and permitted assigns. The provisions of this Note shall be binding upon and shall inure to the benefit of said successors and permitted assigns. Maker's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for Maker. This Note may be amended, modified or supplemented only by written agreement signed on behalf of Maker and Payee.

Maker: BREVARD COUNTY CLERK OF THE
CIRCUIT COURT

Attest:

By: Sean Campbell
Name: SEAN CAMPBELL
Title: CHIEF DEPUTY

By: MITCH NEEDLEMAN
Name: MITCH NEEDLEMAN
Title: CLERK OF COURT

Accepted By: HEWLETT-PACKARD FINANCIAL
SERVICES COMPANY

By: _____

Name: _____

Title: _____

Date: _____

T



HP Financial Services

PAYMENT DIRECTION

This Payment Direction ("Payment direction") is being delivered by Brevard County Clerk of the Circuit Court ("Maker") pursuant to that certain Promissory Note made by Maker to Hewlett-Packard Financial Services Company ("Payee"). Maker hereby (i) requests Payee to advance the loan in the principal amount set forth below in paragraph 1, and (ii) irrevocably directs Payee to remit the Principal Amount of loan to the Vendor(s) in the amount(s) set forth below in paragraph 2.

1. **Principal Amount of Loan:** \$5,100,000.00

2. **Payment Direction.** Maker hereby irrevocably directs Payee to remit the Principal Amount of Loan to the Vendor(s) in the amount(s) set forth below:

Vendor Name: Blue Gem
Mailing Address: 1525 Riverview Dr., Melbourne, FL 32901
Amount: \$5,690,526.00
Wire Instructions: Chase Bank, 1990 W. New Haven Ave.
Melbourne, FL 32904
Routing Number: [REDACTED]
Account Number: [REDACTED]

Vendor Name: Brunswick Companies
Mailing Address: 3857 Riviera Drive, Fairview, OR 97133
Amount: \$209,474.00
Wire Instructions: JP Morgan Chase
1 Chase Manhattan Plaza
New York, NY 10005
Routing Number: [REDACTED]
Account Number: [REDACTED]

Vendor Name: The Hanover Insurance Company
Mailing Address: 440 Lincoln Street, Worcester, MA 01653
Amount: \$200,000.00
Wire Instructions: Deutsche Bank
60 Wall Street
New York, NY 10005
Routing Number: [REDACTED]
Account Number: [REDACTED]
Swift Number: [REDACTED]

3. **Invoiced Items.** Maker hereby acknowledges that the items being paid for by Maker with the proceeds of this Loan are as set forth in those invoices attached hereto as Exhibit A, if this line is checked:

4. **Maker Acknowledgements.** Maker hereby agrees to faithfully perform all of its obligations under the Promissory Note and reaffirms, as of the date hereof, Maker's representations and warranties as set forth in the Promissory Note.

Brevard County Clerk of the Circuit Court

By: [Signature]

Name and Title: Clerk

Date: 24 October 2012

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PROMISSORY NOTE
No. 479236750100001

Amount: \$6,100,000.00

Dated: October 23, 2012

FOR VALUE RECEIVED, the undersigned ("Maker"), does hereby unconditionally promise to pay to the order of Hewlett-Packard Financial Services Company, or its successors or assigns (collectively, "Payee"), at 200 Connell Drive, Suite 5000, Berkeley Heights, NJ 07922, or at such other place as Payee or the holder hereof may designate, the principal sum of \$6,100,000.00. (Six million one hundred thousand and 00/100) or, if less, the aggregate principal amount of all the advances made by Hewlett-Packard Financial Services Company to or for the benefit of Maker together with interest thereon at the rate of 3.55% per annum, accruing daily and compounding monthly from the date hereof on the unpaid principal balance, and continuing without demand until this Promissory Note ("Note") is paid in full. Interest shall be calculated on the basis of a 360-day year for the actual number of days elapsed.

1. Payments

All payments of principal and interest shall be made in lawful money of the United States of America, and in immediately available funds. Principal, together with interest thereon, shall be paid in 60 consecutive equal monthly payments ("Installment(s)") of \$110,776.00 commencing on the day on which funds are first advanced by Payee pursuant to this Note to or for the benefit of Maker. Maker shall pay Payee the remaining monthly Installment(s) on or before the corresponding day of each month thereafter (whether or not Maker receives notice thereof) until all Installments and other monies owed by Maker hereunder are paid in full. The final Installment shall be equal to the then remaining unpaid principal balance, plus all accrued and unpaid interest and all other sums due hereunder.

2. Non-appropriation

Maker reasonably believes that funds can be obtained sufficient to make all Installment payments and other amounts due during the term of this Note. Maker agrees that Maker's chief executive, chief financial or administrative officer will provide for funding for such Installment payments in Maker's annual budget request submitted to Maker's governing body. Maker and Payee agree that Maker's obligation to make Lease payments under this Note will be Maker's current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements. Nothing contained in this Note will be interpreted as a pledge of Maker's general tax revenues, funds or moneys. If (i) sufficient funds are not appropriated and budgeted by Maker's governing body in any fiscal period for all Lease payments and all other amounts due under this Note for such fiscal period, and (ii) Maker has exhausted all funds legally available for such payments, then Maker will give Payee written notice and this Note will terminate as of the last day of the fiscal period for which funds are available to pay amounts due under this Note. Such termination is without any expense or penalty.

3. Late Charge

Payment shall be made in accordance with Section 215.422, Florida Statutes, and for purposes of this provision only, Lessee shall be deemed to be a State Agency under that Section.

4. Application of Payments

Payments received by Payee on this Note shall be applied first to the payment of any late charge that is due and payable, second to the payment of interest that is due and payable, and then to the principal.

5. Maker's Warranties To Payee

Maker expressly represents and warrants to Payee, and Payee relies on, each of the following statements: (a) Maker has read and understood this Note; (b) the interest portion of the Installment payments shall be excluded from gross income for federal income tax purposes, and Maker will do nothing to cause, nor fail to take action which results in, the interest portion of the Installment payments being includible in gross income for federal income tax purposes; (c) Maker is a political subdivision or agency or department of a State; (d) the entering into and performance of this Note are authorized under the laws and constitution of Maker's state and, to the best of Maker's knowledge, do not violate or contradict any judgment, law, order, or regulation, or cause any default under any agreement to which Maker is a party; (e) Maker has complied with all bidding requirements and, where necessary, have properly presented this Note for approval and adoption as a valid obligation on Maker's part; (f) Maker has sufficient appropriated funds or other moneys available to pay all amounts due under this Note for Maker's current fiscal period;

(f) the use of the Equipment is essential for Maker's proper, efficient and economic operation, Maker will be the only entity to own, use or operate the Equipment during the term of this Note and Maker will use the Equipment only for Maker's governmental purposes. Upon Payee's request, Maker agrees to provide Payee with an opinion of counsel as to clauses (b) through (f) above, a certificate of appropriations as to clause (c) above, an essential use letter as to clause (f) above, and any other documents that Payee requests, including information statements to be filed with the Internal Revenue Service, with all such documents being in a form satisfactory to Payee.

6. Events of Default

The following events shall each be an Event of Default: (a) Maker fails to pay when due any amounts payable hereunder or under any other obligation of Maker to Payee within 10 days of its due date; (b) Maker fails to observe or perform any other term, covenant or condition of this Note and such breach is not cured within 10 days after written notice thereof by Payee to Maker; (c) any statement, representation or warranty made by Maker in this Note or otherwise to Payee proves to be incorrect when made in any material respect; (d) Maker makes an assignment for the benefit of creditors, whether voluntary or involuntary; (e) a proceeding under any bankruptcy, reorganization, arrangement of debts, insolvency or receivership law is filed by or against Maker or Maker takes any action to authorize any of the foregoing; (f) Maker becomes insolvent or fails generally to pay its debts as they become due or Maker seeks to effectuate a bulk sale of Maker's inventory or assets; (g) Maker voluntarily or involuntarily dissolves or is dissolved, terminates or is terminated; or (h) Maker fails to perform or observe any representation, warranty, covenant, condition or agreement to be performed or observed by Maker in any other agreement with Payee and such breach is not cured within 10 days after notice thereof by Payee to Maker.

If an Event of Default occurs, Payee may, in its sole discretion, declare the entire unpaid principal balance of this Note, all accrued and unpaid interest and all other amounts payable hereunder to be immediately due and payable. Payee may pursue any remedy available at law or in equity upon the occurrence of an Event of Default.

7. Notices

Maker waives diligence, presentment, demand, demand for payment, notice (except as set forth above), protest and all other notices or demands in connection with the delivery, acceptance, performance, default and enforcement of this Note.

8. Maker's Representations and Warranties

To induce Payee to make the loan evidenced by this Note, Maker hereby represents and warrants to Payee that, as of the date hereof and as of the date Maker requests Payee to make a loan pursuant to this Note: (a) unless Maker is an individual, Maker is duly organized validly existing and in good standing under the laws of the jurisdiction of its organization; (b) this Note has been duly authorized, executed and delivered and constitutes a valid and legally binding obligation of Maker, enforceable against Maker in accordance with its terms subject to bankruptcy, insolvency and other laws generally affecting creditor rights; (c) the execution and delivery of this Note and performance hereunder by Maker will not violate any provision of applicable law or create a default under any material agreement binding on Maker; and (d) there are no actions or proceedings pending before any court or governmental authority, bureau or agency with respect to or threatened against or affecting Maker which, if determined adversely, would have a material adverse effect on the business, the assets or the financial condition of Maker.

9. Costs of Enforcement

If an Event of Default occurs, Maker agrees to pay all Payee's costs of enforcement or collection of this Note, including attorneys' fees and court costs, whether or not suit is brought against Maker.

10. Assignment

Maker may not assign or otherwise dispose of any of its rights or obligations hereunder. Payee may, without Maker's consent, assign, pledge, transfer, mortgage or otherwise convey any of its interests under this Note.

11. Prepayment

Upon not less than 30 days prior written notice to Payee, Maker shall have the right to prepay this Note in full and not in part, which shall be the total unpaid remaining monthly payments plus any and all late charges accrued.

12. Maximum Interest

In no event shall interest charged hereunder or other amounts due or any late charge hereunder, however such interest, late charge or other amounts may be characterized or computed, exceed the highest rate of interest or late charge permissible under any applicable law. To the extent interest hereunder or any late charge exceeds the highest rate of interest or late charge allowed by law, Payee shall promptly refund such excess interest or such excess late charge to Maker and the interest rate or late charge shall be deemed to be reduced, automatically and immediately (and if required by law, retroactively) to the maximum rate of interest or late charge allowed by law.

13. Notices

Any notices required by applicable law to be given to Maker shall be sufficient if mailed to Maker at the address set forth below or at such other address as Maker may provide by written notice to Payee. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed and with first class postage prepaid.

Maker's Address:

2825 Judge Fran Jamieson Way
Viera, FL 32940

14. Miscellaneous

This Note has been delivered to and shall be deemed to have been made in Florida, and shall be construed, performed and enforced in accordance with the internal laws (as opposed to conflicts of law provisions) and decisions of the state of Florida. Whenever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under applicable law such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note. Any reference in this Note to Payee or Maker shall be deemed to include, as applicable, reference to their respective successors and permitted assigns. The provisions of this Note shall be binding upon and shall inure to the benefit of said successors and permitted assigns. Maker's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for Maker. This Note may be amended, modified or supplemented only by written agreement signed on behalf of Maker and Payee.

Makers: BREVARD COUNTY CLERK OF THE
CIRCUIT COURT

Attest:

By: [Signature]

By: [Signature]

Name: 177241-141286

Name: [Signature]

Title: Clerk of Court

Title: [Signature]

Accepted By: HEWLETT-PACKARD FINANCIAL
SERVICES COMPANY

By: [Signature]

PETER E. BOYD

Name: [Signature]

DIRECTOR OF OPERATIONS

Title: [Signature]

THE AMERICAS

Date: 10/27/2012

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HP Financial Services

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Chase Bank, 1990 W. New Haven Ave.

Melbourne, FL 32904

Routing Number: [REDACTED]

Account Number: [REDACTED]

Vendor Name: Brunswick Companies

Mailing Address: 3857 Riviera Drive, Fairlawn, OH 44133

Amount: \$409,474.00

Wire Instructions:

JP Morgan Chase

1 Chase Manhattan Plaza

New York, NY 10005

Routing Number: [REDACTED]

Account Number: [REDACTED]

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Brevard County Clerk of the Circuit Court

By: [Signature]

Name and Title: Sean Campbell, Chief Deputy, *FOR MITEL INVENT*

Date: OCT 29, 2012