



PEOPLE, TECHNOLOGY & SOLUTIONS... WORLDWIDE

INDEPENDENT
PROFESSIONAL
MANAGEMENT, INC.

October 22, 2012

Diana Barrera
County Clerk
Nueces County
Corpus Christi, Texas

Re: Letter Agreement for RFID Asset Management of Voting Equipment

Dear Diana:

This shall serve as a letter agreement between Nueces County and Independent Professional Management, Inc. (IPM). This letter agreement is subject to and consistent with DIR Contract number DIR-SDD-1011.

The Nueces County Clerk's office is responsible for administering elections for the county. As a part of that effort the clerk's office must keep track of approximately 433 e-slate voting machines, approximately 250 DAU units, and approximately 250 JVC ballot boxes. The equipment is housed in a central warehouse facility, but is distributed to the 135 polling sites just prior to an election, and then returned to the warehouse after the election. In addition there are 14 mobile units equipped with replacement equipment should there be a problem on election day. That equipment is checked out just prior to an election and is checked back in after the polls close.

In an effort to more efficiently track those assets out of and then back into the warehouse Nueces County has explored and is now wishing to implement Radio Frequency Identification (RFID) technology as a solution.

IPM, contracting with IPM Asset Solutions, Inc., has developed an RFID solution that will provide that service to Nueces County.

This agreement is designed to give Nueces County asset tracking and management capability to track the above mentioned assets.

This agreement is to be performed in accordance with the attached Voting Equipment Tracking Proposal, Attachment A. That document has been previously provided to Nueces County, and is now incorporated into and is a part of this letter agreement. In addition, the parties agree that prior to any work being done, there will be a Project Definition Document (PDD) that will be mutually developed by IPM and County Clerk representatives as the details of the project are refined. Work under this agreement will be completed pursuant to the PDD. No work shall be commenced until the PDD is finalized and the County Clerk issues a notice to proceed.

The scope of the project is limited to the above described voting equipment.

The data will be hosted on a secure website hosted by IPM. The hosting cost will be waived for the first three months after installation. Thereafter the hosting fee shall be \$250 per month.

The seat licensing fee for 5 seats shall be \$100 per month. The fee shall be waived for the first three months after installation.

This contract will be effective upon signature, and will end one year from the date of signature, to be automatically renewed for addition one year periods, unless cancel by either party with 30 days written notice.

The project will include 1000 universal tags, 600 bar coding tags, two Unitech RFID readers (Model number RH767 11), software configuration, 2 days of onsite training for tag application, asset data entry and system use. There will be no travel costs for the training. No other travel costs are anticipated.

IPM will also provide unlimited phone/web tech support for the first 30 days. From day 31-90 IPM will provide up to 2 hours per week phone or 2 emails per week. On-site non warranty support will be quoted and billed separately on a case by case basis. After 90 days IPM will charge \$30 per hour for phone support with free email support from the hosting service.

The cost of this project has been discounted in accordance with the Texas Department of Information Resources (DIR) negotiated discounts. The total cost of the project is \$28,521.50. It will be paid in two equal payments of \$14,260.75 with the first payment being due upon the finalization of PDD. The second payment is due upon the completion of the onsite training.

While neither party anticipates any legal action the parties agree that venue shall be in Nueces County.

Our team is looking forward to working with your team to provide an asset tracking and management system for your voting equipment which will improve efficiencies and cost savings.

Best Regards,

Steven W. Young
Chief Operating Officer
Independent Professional Management, Inc.

Agreed to by:

Samuel L. Neal, Jr.
County Judge

Attest:

Diana Barrera
County Clerk

**Attachment A –
Nueces County
RFID Asset Management
Voting Equipment Tracking Proposal**



Nueces County RFID Asset Management Voting Equipment Tracking Proposal

Document Version: 2.3

September 25, 2012



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APPROVALS

Date	Document Version	Approver Name and Title	Approver Signature
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1. PROBLEM STATEMENT

The Nueces County Clerk is responsible for administering all elections in the county. As a part of that effort the county owns approximately 433 e-slate voting machines, approximately 250 DAU units and approximately 250 JVC ballot boxes. This equipment is housed in a central warehouse facility. Just prior to elections the equipment is distributed to approximately 135 precinct voting sites around the county. In addition to the distribution of equipment there are 14 mobile sets consisting of 1 of each of the above-mentioned units that are available for emergency replacements on election day. In the current process, The 14 sets of equipment are labeled by tech team and permanently assigned to those teams. In the new process, equipment will be assigned at the time of pickup. There is no reason to keep them permanently assigned to each tech team. When the polls close a representative from each of the polling locations returns the ballot box to the warehouse for official tabulation of the votes. This check-in process is currently done manually. IPM conducted a complimentary proof of concept during the runoff election of July 30, 2012. (See Below) At some point after election day the e-slates and other miscellaneous county-owned items, such as tables, chairs, and signs, are picked up and brought back to the warehouse. Voting equipment is serviced and stored on rolling carts until the next election, when the process is repeated.

2. PROCESS GOALS AND OBJECTIVES

The primary goal for this project is to streamline the check-in process, maintain maintenance records, and provide for a more orderly warehousing process. More specifically, we will:

- Confirm solution function and suitability.
- Demonstrate a clear Return on Investment (ROI) to manage election assets with current staff.
- Create a modular software for Nueces County Clerk's Office that, while initially will be used to track election equipment, can be used to track any county asset in time.
- Design asset validation model using current inventory descriptors in use today.
- Train current staff in the proper utilization of asset management software.

3. PROJECT SCOPE

This project will provide a hybrid RFID / Barcode solution. Barcode stickers will be used on the memory cards because the clearance provided in the slot cannot accommodate the thickness of a mount-on-metal RFID tag. All other in scope assets will be tagged with universal passive RFID tags.

In Scope

- Purchase 2 RFID readers
- 1000 Universal Passive RFID tags
- 600 barcode stickers
- Software configuration, including inventory descriptors
- Warehouse location only
- Ability to assign specific assets to specific election locations
- Ability to assign "hot swap" assets to the 14 Tech teams
- Ability to associate JVC e-slate and DAU units to the JVC control units
- Ability to track which memory cards are assigned to each DAU and JVC
- End user system training
- Wireless link to IPM system
- Standard asset reports
- Hosting on IPM servers
- IPM phone/e-mail technical support
 - First 30 days: unlimited phone & email support
 - 31-90 days: Up to 2 hours per week phone (non-cumulative) OR 2 emails per week (non-cumulative). On-site, non-warranty support quoted and billed separately on a case-by-case basis.
 - After 90 days: \$30/hour phone support and free email support with Hosting Service. On-site non-warranty support quoted and billed separately on a case-by-case basis.

Out of Scope

- Integration with any current county system
- Hosting on County's servers
- Any other county owned equipment at this point
- Fixed readers at building entrances/exits

4. KEY STAKEHOLDERS

Name	Company	Title	E-mail	Phone
Steven Young	IPM/IPM Asset Solutions	COO	steve.young@ipm-inc.com	281.844.1259
Craig Sadler	IPM/IPM Asset Solutions	CTO	craig.sadler@ipm-inc.com	817.807.2988
Rochelle Limon	Nueces County	Election Manager	rochelle.limon@co.nueces.tx.us	915.887.5460
Harry Horak	Nueces County	Assistant Support Technician	harry.horak@co.nueces.tx.us	915.887.5428

5. SUCCESS CRITERIA

Several success criteria are defined for proposal:

- Current personnel trained on tag installation, reader use, and IPM back office system.
- RFID tags installed and readable on election assets and associated cart locations.
- Solution function, suitability, and asset report accuracy.

6. ASSUMPTIONS AND CONSTRAINTS

6.1 Assumptions

- IPM to procure tags on behalf of Nueces County as a part of this proposal.
- IPM will provide 2 readers as a part of this proposal.
- Nueces County will provide an existing data extract in Access, Excel, or another standard format agreed upon by both parties to facilitate set up of the database.
- In-scope assets and county personnel will be made available to IPM as necessary for tagging/training activities.
- IPM will conduct training and begin the tag installation. Installation to be completed by Nueces County personnel to complete the familiarization process.
- Cost quote valid for 60 days from date on cover page of this document but can be extended by mutual agreement.

6.2 Constraints

- Tagging/training activities done during regular business hours.

7. RISKS

IPM acknowledges that risks exist in every project. In our experience, common risk items for these types of deployments include and are not limited to ineffective communication, passive sabotage, lack of funding sources, no executive management support, failure to follow processes, scope creep, and no access to key client personnel. We realize that specific risks for this project cannot be identified until Nueces County and IPM

begin detailed project planning. At that time, we will agree on a risk assessment plan to capture and manage the identified risks going forward.

8. COSTS

8.1 DIR Contract

This proposal is presented to Nueces County by IPM under provisions of the Texas Department of Information Resources (DIR) program. Formal contract terms are subject to DIR guidelines as described in the IPM DIR website <http://www.ipm-texas.com/index.htm>. We do not anticipate that our contract terms would be in conflict with DIR guidelines, but in the event they are determined to be so, DIR guidelines will take precedence.

8.2 Proof of Concept

8.2.1 Proof of Concept Test

On July 30, 2012, IPM conducted a proof of concept test during the run off election in Nueces County. IPM utilized the 14 technicians roaming the county to provide emergency back up and replacement on election day checking out equipment to them and checking back in the equipment at the end of the election day.

The IPM philosophy is to provide full-featured applications and complete processes during pilot tests so the end user can make informed judgments about the solution. However, here where we have done a proof of concept, we are advocating going directly to a full implementation, reducing the implementation cost of the pilot.

8.2.2 RFID Tags

While IPM at times will utilize different tag types in a pilot program, we have experimented with tag types on previous site visits. We will be utilizing universal passive RFID tags (along with the bar code tags for memory cards).

8.2.3 Readers

8.3 Costs

Project costs include:

- 1000 Universal RFID tags
- 600 barcode tags
- 2 RFID readers
- Software configuration
- Two days of onsite training for tag application, asset association, asset data entry, and system use.
- Unlimited phone/web tech support for 3 months.
- Hosting is waived for the first 3 months. After the 3 month trial period, hosting is \$250.00 per month.
- Seat licensing is waived for 3 months. After the first 3 months, seat licensing is \$100.00 per month for up to 5 users.

Total development, installation, and training cost: \$28,521.50

Ongoing hosting and licensing after the first 3 months: \$350.00 per month

9. THE IPM DIFFERENCE

Why IPM? In a word – value. The IPM market approach is to provide services comparable to large market providers at a mid-market price. Off-the-shelf software is cheap but inflexible, requiring the end user to change business operations and processes to fit the software. In our experience, we have found large market providers offer similar software and services but have much higher costs because of their greater overhead expenses for large offices, expensive commercials, and special event sponsorship deals. That same experience suggests the above cost quote would be several times higher with a large market provider that is required to cover their very high fixed costs.

IPM chooses to focus on the customer experience. Mike Danner, Gridiron Fulfillment Warehouse, said, “The affordable and robust solutions offered by [IPM] helped us transition from a manual operations process to a more technologically advanced solution...The impacts of the IPMAS solution have been positive for our business.... We are absolutely pleased that we chose to work with them in growing our business.” IPM is confident Nueces County will experience the same results and get the most out of their taxpayers’ dollars. Make this the last asset management solution you will ever need.

10. AGREED AND ACCEPTED

Independent Professional Management	Nueces County
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BY: _____

BY: _____

Signature

Signature

Steven Young

Samuel L. Neal, Jr.

Printed Name

Printed Name

COO/General Counsel

County Judge

Title

Title

Date

Date

Attest:

Diana Barrera

County Clerk

Nueces County