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05-2013 CF-053989-A XXX-XX

IN THE CIRCUIT COURT OF THE EIGHTEENTH JUDICIAL CIRCUIT
IN AND FOR BREVARD COUNTY, FLORIDA

AFFIDAVIT FOR ARREST WARRANT

Writ No. 1620609

BEFORE ME, Tonya Rainwater, a Judge of the Circuit Court of the Eighteenth Judicial Circuit in and for Brevard County, Florida, personally appeared Inspector Daniel Augustyniak of the Florida Department of Law Enforcement who, first being duly sworn by me deposes and requests that an arrest warrant be issued for:

MITCHELL AARON NEEDELMAN (Counts 1, 3, 4, and 6)

WILLIAM MATTHEW DUPREE (Counts 2, 3, and 5)

ROSE MARY HARR (Counts 2, 3, and 5)

Charging violations of section:

COUNT 1: BRIBERY (F2) 838.015(1) and 838.015(3)

COUNT 2: PRINCIPAL TO COMMIT BRIBERY (F2) 777.011, 838.015(1), and 838.015(3)

COUNT 3: CONSPIRACY TO COMMIT BRIBERY (F3) 777.04(3), 777.04(4)(d), 838.015(1), and 838.015(3)

COUNT 4: BID TAMPERING (F2) 838.22(1)(a) and 838.22(4)

COUNT 5: PRINCIPAL TO COMMIT BID TAMPERING (F2) 838.22(1)(a), 838.22(3), and 838.22(4)

COUNT 6: OFFICIAL MISCONDUCT (F3) 838.022(1)(b) and 838.022(3)

The facts establishing probable cause for the issuance of a warrant are as follows:

In January 2012, Michigan based company BlueWare, LLC, sought to expand their business operations into the State of Florida. BlueWare Chief Executive Officer (CEO) Rose Harr and Chief Operating Officer (COO) Nick Geaney became acquainted with Florida lobbyist, Matt Dupree, who was subsequently hired by BlueWare to assist them in securing business in Melbourne, FL. Dupree was a former business partner of the Brevard County Clerk of Court (Clerk) Mitchell Needelman and was, at that time, assisting Needelman in his campaign for reelection.

Matt Dupree introduced Rose Harr to Clerk Needleman on January 25, 2012, during a function at the Yellow Dog Café in Melbourne Florida. In his position as Clerk of Court for Brevard

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Case # 05-2013-CF-053989-XXXX-XX

Document Page # 1



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County, Clerk Needleman was aware that Brevard County Clerk records needed to be digitized and asked Rose Harr if her company (BlueWare) would be interested in performing this task.

On January 30, 2012, Rose Harr met with employees of the Brevard County Clerk of Court (BCCC) to discuss the scanning and archiving of BCCC records. Prior to that meeting, Rose Harr sent an email message to Brevard Chief Deputy Clerk of Court Sean Campbell, outlining the proposed meeting agenda which included specific topics related to the scanning and archiving of BCCC records.

On January 31, 2012, the day following the initial meeting at BCCC, an email message was sent by an employee of BlueWare to Matt Dupree and included a contract for the scanning of historical BCCC records. Additional emails from employees of BlueWare to Matt Dupree, from March through April 2012, also contained contracts to perform historical records scanning for BCCC, prior to the posting of a public Invitation to Negotiate (ITN). Interviews with former and current BCCC employees indicate that, from January through April 2012, members of BlueWare management were in direct (non-public) discussions and negotiations with BCCC management regarding the digitization and scanning of records and other contracts for services with the BCCC.

An email dated February 21, 2012 from Matt Dupree to Clerk Needleman referenced records scanning and the need for BCCC to digitize records. On the same day, this same email from Matt Dupree to Clerk Needleman was forwarded to Rose Harr, who responded, "We have a letter of intent with bluegem for 1.425 million dollars with the clerk of the court." BlueGem is the parent company of BlueWare, also owned by Rose Harr.

In sworn statements provided to your Affiant, BlueWare's Nick Geaney stated that he was taken to Clerk Needleman's residence by Matt Dupree on March 16, 2012, where he, Dupree, and Clerk Needleman sat together at a table to discuss the digital scanning project. According to Nick Geaney's recorded statement, Clerk Needleman stated: "I understand that you, you know, wanna [sic] make sure that this contract is real and, uh, you -- you understand how this is gonna [sic] work." Dupree responded, "Basically, what will happen is that -- that, um, we'll make sure the contract works. Um, Mitch is gonna need help with his campaign. So we're gonna [sic] need some money back." The men then discussed that the campaign was expensive to run. Dupree and Clerk Needleman told Nick Geaney not to worry about the procurement of the scanning contract. Clerk Needleman stated, "We'll make the contract work; the campaign is expensive to run."

Nick Geaney advised that, following the March 16, 2012 meeting, he contacted Rose Harr and told her of Clerk Needleman's demands for money in exchange for Clerk Needleman entering into the scanning contract with BlueWare on behalf of the BCCC. Rose Harr advised Nick Geaney to "pay the man."

On or about March 19, 2012, Nick Geaney and Chief Deputy Clerk Campbell, along with other BCCC and BlueWare personnel, conducted a walkthrough of a gymnasium in Titusville where BCCC records needing to be scanned were stored. No other company was given this opportunity. Based on sworn testimony provided to your Affiant by former Chief Deputy Clerk Campbell, BlueWare was evaluating the scanning possibilities during this time and was invited to do so by the Clerk Needleman.

Nick Geaney stated that, on or about March 20, 2012, Matt Dupree informed Geaney that he (Dupree) needed ten thousand dollars for a political mailing for Clerk Needleman's 2012

reelection campaign. Dupree further indicated that he wanted Geaney to bill BCCC for an audit in the amount of \$10,000. When Geaney advised Rose Harr of Dupree's need for ten thousand dollars, she responded that "this was a test" to show that BlueWare would direct money to the Clerk Needelman and Matt Dupree in exchange for the scanning contract. As directed, on March 20, 2012, BlueWare provided an invoice via email to Matt Dupree for an audit of services in the amount of \$10,000. On March 22, 2012, with the approval of Clerk Needelman, BCCC wired \$10,000 to BlueWare. On March 27, 2012, following receipt of the \$10,000, BlueWare made two deposits of \$5,000 each into a bank account of Eligere Strategies, LLC, which was controlled by Matt Dupree.

Nick Geaney advised that, subsequent to receiving the \$10,000 payment from BCCC, Matt Dupree required an additional \$30,000 for Clerk Needelman's reelection campaign. Then, with the knowledge of Matt Dupree and Clerk Needelman, BlueWare created a contract and invoice for "IT Consultancy" for BCCC for \$100,000. Documents obtained by your Affiant confirm that, on April 6, 2012, Clerk Needelman signed this contract with RoseWare (AKA BlueWare) for IT Consultancy for \$100,000. On April 6, 2012, BCCC wired \$100,000 to RoseWare's bank account as payment for the IT Consultancy contract. Upon receipt of the \$100,000, a transfer of \$30,000 was made from RoseWare to BlueWare, and then, on April 9, 2012, \$30,000 was transferred from BlueWare to Eligere Strategies, LLC (Dupree's account).

Based on testimony provided to your Affiant during interviews, it was learned that Clerk Needelman wanted to advertise the scanning contract via an ITN. Dupree testified that he provided a sample ITN template to BlueWare and Clerk Needelman to use as a format for the BCCC ITN.

On April 2, 2012, an account executive from Computing Systems Innovation (CSI) sent an email to Chief Deputy Clerk Campbell and Dupree and attached a sample ITN from Palm Beach County, FL. The CSI executive had the wrong email address for Dupree, mistakenly believing that Dupree worked for BCCC, and used matt.dupree@brevardclerk.us. The CSI executive later requested that Chief Deputy Clerk Campbell forward the sample ITN to Dupree. On the same day, Chief Deputy Clerk Campbell forwarded the sample ITN to Dupree's email address of mdupree@cfl.rr.com. On April 3, 2012, Dupree emailed the sample ITN to Rose Harr. BlueWare management attempted to write the ITN for BCCC; however, it was not complete, and BlueWare required assistance in completing the ITN.

Former BCCC Finance Director Michael McDaniel provided testimony that he was aware of discussions with BlueWare regarding the scanning of records sometime in April 2012, prior to the ITN being posted. On April 19, 2012, BlueWare executive Deena Brigham emailed Finance Director McDaniel a copy of the sample ITN that CSI had previously provided to Chief Deputy Clerk Campbell, along with a copy of BlueWare's scanning contract proposal. On that same date, Finance Director McDaniel forwarded the email containing the sample ITN and BlueWare's scanning proposal to Clerk Needelman's personal EarthLink email account. On April 23, 2013, Finance Director McDaniel forwarded this same email containing the sample ITN to his (McDaniel's) personal AOL email account. The BlueWare scanning proposal was nearly identical to what would be BlueWare's May 11 response to BCCC's ITN. On or before April 24, 2012, Matt Dupree enlisted the help of a colleague, Garrett Pomichter, to modify the ITN to fit the "wish list" of BlueWare. Emails obtained by your Affiant show that Dupree emailed the sample ITN to Pomichter. Further, emails dated April 24, 2012 indicate that BlueWare employee Matt Raab sent language to be placed into the BCCC's ITN to Pomichter. According to Pomichter, he "plug and played" and provided his version of the ITN, which was later published by the BCCC, to Dupree and Clerk Needelman. The ITN for scanning services, which

4/6

was written to ensure that BlueWare would win the bid, was posted to Onvia by BCCC on May 4, 2012 and closed on May 11, 2012.

In response to the published ITN, BCCC received proposals from three companies: BlueGem (which was BlueWare), Fidelity National Technology Incorporated (FNTI), and American Cadaster (AMCAD). Finance Director Michael McDaniel testified to your Affiant that he was the contact person for the responding vendors. Companies began responding to the BCCC with very specific questions about the ITN. Finance Director McDaniel stated that he received the questions via email and, per Clerk Needelman's instructions, forwarded the questions to his (McDaniel's) own personal/home AOL email address. Finance Director McDaniel then forwarded the questions from his home email to Rose Harr and Nick Geaney for guidance on answering the questions from the other competing vendors. This was also done at the direction of Clerk Needelman. Nick Geaney would then call Finance Director McDaniel and provide McDaniel the answers to the vendors' questions. Finance Director McDaniel would then, using his personal email as directed by Clerk Needelman, email the answers back to his (McDaniel's) Brevard County email address, from which he would email the vendors the answers to their questions. The answers provided to the other competing vendors were purposely vague and did not provide any guidance.

Representatives of vendors FNTI and AMCAD, who responded to the ITN and submitted questions to the BCCC, stated to FDLE that it was very unusual to only have five days to respond to an ITN for such a large project.

Finance Director McDaniel provided further testimony to FDLE that Clerk Needelman directed McDaniel and other BCCC staff to use their personal email when discussing BlueWare and the scanning project in order to keep such information from becoming public record. McDaniel stated that Clerk Needelman later advised Finance Director McDaniel that it would be wise to remove all emails pertaining to this matter from his personal computer.

On May 11, 2012, BlueGem, LLC, (AKA BlueWare, RoseWare) officially responded to the ITN and was ultimately awarded the contract to digitize BCCC's records. On May 23, 2012, a "Contract Guaranty Payment" of \$500,000 was wired to BlueGem, even though the contract between BlueGem and BCCC had not yet been signed. The \$500,000 was then wired from BlueGem to BlueWare, and, on May 25, 2012, BlueWare transferred \$90,000 to Eligere Strategies, Dupree's company. The actual contract for services between BlueGem and BCCC was signed on June 29, 2012, and, on the same day, BCCC wired \$90,000 to a BlueGem account for the contract signing. According to Dupree, he was present for the signing of the scanning contract.

On August 14, 2012, Needelman lost the 2012 primary election for Brevard County Clerk of Court, causing him to relinquish his position in January 2013. Two months after losing the election, Needelman entered into a contract with Hewlett-Packard Financial Services (HP) to loan BlueGem \$5,690,526. FDLE obtained information which indicated that BlueGem received the money directly from HP and that, by virtue of this contract, Needelman obligated BCCC to repay the entire loan.

On April 25, 2012, Dupree paid E-One Marketing \$4,500 for social media services and event coordination on behalf of Clerk Needelman's reelection campaign. Bank records reflect that, on April 25, 2012, a withdrawal of \$4,500 in the form of a cashier's check was made from Eligere Strategies to E-One Marketing, LLC for Needelman's reelection campaign. E-One Marketing provided your Affiant with an invoice dated April 25, 2012 for the above services.

5/6

E-One Marketing provided your Affiant with a second invoice dated May 28, 2012, in the amount of \$4,500 for social media services and event coordination on behalf of Clerk Needelman's reelection campaign; however they were unable provide proof of payment for the invoice. Subpoenaed bank records for Dupree reflected a personal check dated June 8, 2012, in the amount of \$4,500, made out to Eric Tirado, president of E-One Marketing, LLC.

On July 10, 2012, a wire transfer of \$9,091 was made from the Eligere Strategies bank account to Spectrum Marketing Companies, on behalf of Clerk Needelman's reelection campaign. Correspondence between Spectrum Marketing and Dupree discussing the details of advertising for Needelman's campaign was obtained by FDLE.

Former BlueWare employee Robert Baldwin, who held the position of Chief Operating Officer for approximately six weeks beginning July 5, 2012, stated that BlueWare had no core business, and the success of the company hinged on a digital scanning contract entered into with BCCC. Baldwin further advised that BlueWare had no experience handling or scanning massive amounts of documents. Baldwin stated that BlueWare rented a small office space in Brevard County and used two small desktop scanners obtained from their offices in Michigan in order to begin scanning and give the appearance that they were capable of fulfilling the terms of the BCCC contract. Baldwin characterized the scanning operation as "smoke and mirrors."

According to BCCC staff interviewed, nearly 75% of the records to be scanned could have been destroyed pursuant to retention schedules and therefore did not require scanning. Further, former/current BCCC staff who oversaw BlueWare's operation in its early stages stated that BlueWare was never set up to conduct a major scanning operation, nor did they have the necessary resources, personnel, or equipment.

Investigation also revealed that BlueWare has entered into other questionable contracts for services with the BCCC since March 2012. On April 6, 2012, Clerk Needelman signed two contracts with RoseWare (AKA BlueWare) for "IT Consultancy for Brevard County Clerk of Courts" and "Cost Containment for Brevard County Clerk of the Court." On the day of the contract signing, BCCC deposited \$100,000 into RoseWare's bank account. No BCCC personnel interviewed could ascertain any results or benefit to BCCC from either contract.

On April 27, 2012, BCCC wired \$10,000 to BlueGem (AKA: BlueWare) for unknown reasons. To date, no invoice for the \$10,000 can be located by BCCC.

On May 1, 2012, Clerk Needelman signed a contract with RoseWare (AKA BlueWare) titled "Addendum to the IT Consulting Contract for Abnormal Incidents." On May 3, 2012, BCCC wired \$150,350 to BlueGem (AKA BlueWare). According to BCCC staff interviewed, no such work took place, and no one is sure of the actual purpose of the contract or payment. In sworn testimony, Nick Geaney stated that Rose Harr needed \$150,000 to pay a mortgage for property that Rose Harr owned. According to Nick Geaney, the money received from BCCC went directly to stop a foreclosure on property for Rose Harr.

According to Nick Geaney, Clerk Needelman stated he could hide the contracts and payments from being made public by claiming that an investigation was being conducted pursuant to a cyber-intrusion into the BCCC systems. On or about July 5, 2012, Clerk Needelman contacted FDLE to claim that a possible intrusion into BCCC systems had occurred. FDLE responded that, due to lack of information and the delay in reporting the incident, no investigation would be conducted.

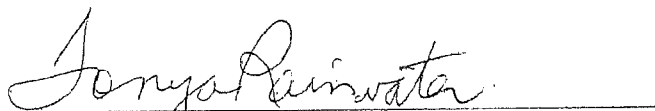
6/6

Based upon the aforementioned facts, Clerk Mitchell Needleman acted, in concert with principal Matt Dupree, to solicit a bribe from BlueWare. Based upon that solicitation, Rose Harr, as Chief Executive Officer of BlueWare, agreed to make payments to Clerk Needleman's campaign in exchange for contracts with the BCCC. Clerk Needleman, Matt Dupree, and Rose Harr then proceeded to carry out this plan by acting together as co-conspirators to ensure that contracts were entered into between BCCC and BlueWare, and that BCCC monies were channeled through BlueWare to financially benefit Clerk Needleman, Matt Dupree, and Rose Harr. Pursuant to that conspiracy, Clerk Needleman committed the crime of Official Misconduct by directing his office employees to use private e-mail addresses to conceal records from the public. Clerk Needleman also committed Bid Tampering with Matt Dupree and Rose Harr as principals to Bid Tampering by manipulating the bid process to guarantee that BlueWare would be awarded the contract for scanning BCCC records, while withholding records and information from other bidders that would have allowed those bidders to fairly compete for the BCCC scanning contract.

WHEREFORE, your Affiant prays that a warrant be issued commanding the Executive Director of the Florida Department of Law Enforcement or any of his duly authorized Special Agents and all Sheriffs or any of their duly authorized deputies to arrest William Matthew Dupree and bring them before the Court so that they may be dealt with according to law.


Affiant

SWORN TO AND SUBSCRIBED before me this 14 day of Aug, 2013.


CIRCUIT JUDGE

IN THE CIRCUIT COURT OF THE 18th JUDICIAL CIRCUIT
IN AND FOR Brevard COUNTY, FLORIDA