

IN THE CIRCUIT COURT OF THE TENTH JUDICIAL CIRCUIT
IN AND FOR HARDEE COUNTY, FLORIDA

IN RE: AN INVESTIGATION INTO THE
HARDEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
AND THE \$7.25 MILLION TECHNOLOGY GRANT

ORDER SEALING PRESENTMENT

THIS MATTER has come before the Court as a result of the Grand Jurors of Hardee County having on January 7, 2015 returned their *Presentment*, relating to an individual or individuals, which is not accompanied by a true bill of indictment. Pursuant to the provisions of § 905.28(1) Fla. Stat. (2014), it is hereby

ORDERED and **ADJUDGED** that the *Presentment* returned by the Grand Jurors of Hardee County on January 7, 2015 be and the same is to be **SEALED** by the Clerk of Circuit Court, and not made a matter of public record, or disclosed in any way, other than to the individual or individuals concerned and to whom it relates,, until further order of the Court.

DONE and **ORDERED** in Wauchula, Hardee County, Florida on this, the 7th day of January, 2015.


MARCUS J. EZELLE
Circuit Judge

**IN THE CIRCUIT COURT OF THE TENTH JUDICIAL CIRCUIT
OF FLORIDA IN AND FOR HARDEE COUNTY
FALL TERM 2014**

**IN RE: AN INVESTIGATION INTO
 THE HARDEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
 AND THE \$7.25 MILLION TECHNOLOGY GRANT**

PRESENTMENT

Public institutions must be held accountable for their actions; including how the public's money is spent. The integrity of our government and the public's ability to hold their public institutions accountable depends upon the public's ability to know what their government is doing. Under the leadership of Hardee County Economic Development Director William Lambert, \$7.25 million of public money has been spent to fund an upstart technology company - a project that has consistently been promoted by some as having success in the future. Today, we, the Grand Jury for Hardee County for the Fall Term of 2014, are returning this Presentment in order to express our concerns with the procedure the Industrial Development Authority utilized in funding the project and the implementation and monitoring of the grant funds and to express dismay over the lack of return on the investment.

This matter first came to our attention as a result of an initial investigation begun by State Attorney Jerry Hill. Based on his investigation, we initiated our own inquiry, hearing from more than 25 witnesses. We also examined documentary evidence related to the issues we were called upon to consider. Our work was conducted over the course of more than eight weeks and included an investigation to review the procedures by which the Hardee County Industrial

Development Authority (IDA) operates, both generally and specifically as to the funding of the Blue Water Project grant awarded to Lifesync Technologies, Inc. and then to the Caresync project grant awarded to Continuum Labs, Inc. (hereinafter "Caresync Project"). We investigated the project from several perspectives, from within the IDA to within the companies and individuals who received the grant money.

As a result of our work, we have determined that under the leadership of the Economic Development Executive Director William Lambert (hereinafter "Bill Lambert") and the IDA Board of Directors, there was a lack of any meaningful review of the proposed Caresync Project, an insufficient monitoring of how the public's money was being spent during the Caresync Project, and a failure of the IDA to be able to determine whether the public received the benefit it should have for the money spent. The purpose of this Presentment is to explain our findings of fact and the conclusions we have reached based on those facts and to make recommendations aimed at ensuring the IDA properly monitors the Caresync project and administers future grants in a totally different manner. We begin with our findings of fact.

Hardee County is a community divided. Citizens of good intentions, who want nothing but the best for Hardee County, find themselves on opposite sides of the Caresync Project. Let us state up front that the absence of any meaningful transparency has created much of the division. This is the IDA's fault. The IDA was created pursuant to Section 159.45, Florida Statutes, in 1984. The IDA is a dependent special district of the Hardee County Board of County Commissioner, with the purpose of financing projects that foster economic development in the county. In 2010, the IDA became responsible for administering funds received pursuant to a development order created to offset impact of mining in Hardee County. Pursuant to the agreement, The Mosaic Company was obligated to pay Hardee County \$42 million over a ten

year period, paid directly to the IDA. The IDA, as part of its administration obligation of the money, was charged with determining how to spend the funds and implementation of the funding decision. To date, the IDA has received and dispersed more than \$14 million of the \$42 million total in the Mosaic Agreement expected by 2020.

In 2011, the first of the grant money was available. It was the IDA's award process that the Blue Water project was initially funded after being ranked by the IDA along with other applicants. The root of all of the issues this project has faced can be traced back to a flawed application process administered by Bill Lambert.

One of the key players in the Caresync Project has been former State Representative James W. Grant. Grant, who is also an attorney licensed to practice in Florida, served in the Florida Legislature since his election in 2010 until November 2014. Grant became acquaintances with State Representative Ben Albritton, from Hardee County. Albritton was also elected to the Legislature in 2010. It was through his acquaintance with Albritton that Grant met with Bill Lambert to discuss Grant's company, Lifesync Technologies, Inc., receiving Hardee County IDA funds. While Grant had no expertise in the tech industry, he had formulated a concept named "Blue Water," which aimed to allow users to store medical and other important information in a mobile, but secure internet site. Grant proposed that the start-up company would develop a web-based solution to be marketed to the public and supported by customer service personnel to be located in Hardee County and to consult and assist in the development of technological infrastructure for the purpose of creating a technology center to support operations and the development of software solutions. Besides being a state representative, Grant, who was 28 years old at this time, brought no equity, no start-up capital, no business track record and no credibility to the table. While pursuing the Hardee County IDA funds, Grant worked two

different angles to obtain the money. First, he aligned himself with longtime family friend Travis Bond. Bond was quite experienced in the technology industry and had a track record of creating an electronic medical records software through his tech company and “flipping it” to investors for profit. It was made known to the IDA that Bond would be associated with the Blue Water Project, but no inquiry was made to verify this, nor was any meaningful review of Bond’s background conducted, nor was his involvement included in the contract. Second, Grant had a side agreement with Heartland Technologies, LLC, a company owned by Ben Albritton, his brother Joe Albritton and an associate. The agreement provided that Heartland Technologies would market Blue Water to the commercial insurance industry and recruit investors for Lifesync. The agreement provided that Heartland Technologies, Inc. would be compensated by receiving 600,000 shares of Lifesync Technologies, Inc. The Lifesync Technologies and Heartland Technologies agreement was not executed until June 2012; long after the approval of the IDA grant. However, the concept of the agreement had been discussed in great detail by the parties for quite a while, including at the time of the IDA grant application and approval process. It should be noted that no shares were ever distributed to Heartland Technologies as contemplated in the agreement.

We find it troubling that at the time the IDA was considering Lifesync Technologies, Inc.’s grant application, Joe Albritton, a member of the IDA Board, was heavily engaged in the negotiations between the IDA and Lifesync Technologies, Inc. Additionally, because of his ownership interest in Heartland Technologies, Inc., Joe Albritton stood to benefit financially from the success of the Blue Water project. Joe Albritton publically declared a conflict of interest at the IDA approval meeting without stating the reason for the conflict, but then he

mistakenly indicated that he was an owner. Despite this disclosure, Albritton was advised that he could participate in the ranking of the applicants for the IDA money.

Based on the evidence we saw and the witnesses we heard from, we find that the reason the IDA approved the Lifesync Technologies, Inc. grant was because 1) Bill Lambert was a proponent of the grant and exerted his strong influence over the board to make it pass; 2) James Grant, a state legislator himself, assembled a team, including Jason Brodeur, who was a state legislator, and Travis Bond to make a “pied piper” presentation to the IDA Board, which then did no meaningful vetting of the representations that Grant’s team made to them; 3) Joe Albritton’s behind the scenes maneuvers to ensure approval of a grant that would directly benefit his family’s business venture, even though we believe that he also hoped to benefit Hardee County in the process.

The IDA, without vetting, accepted the verbal representations that James Grant and Travis Bond made to them at the one meeting that the grant was considered. Those representations included: 1) Travis Bond’s company already had 8000 customers ready to go and that James Grant had access to 3,000 elderly people as customers through his law firm. In total, Grant and Bond told the IDA that there were 10,000 to 15,000 users ready to go on day one, even without the commercial end of the business being started; 2) By 2012, there would be 30,000 users of the product, with \$1.1 million in revenues; 3) By 2014, there would be 400,000 users of the product, with \$26.4 million in revenues. As of the end of 2014, these projections have proven to be mere smoke and not even come close to being met. The majority of the revenue for the company has come from the IDA, not paying customers.

The Hardee County Industrial Development Authority Grant Award Agreement, executed on October 10, 2011, by the IDA and Lifesync Technologies, Inc. is another example of how the

citizens of Hardee County were not well served by Bill Lambert and the IDA Board. There was at least one contract negotiation session held after the IDA approved the grant to Lifesync, attended by Joe Albritton, as well as the IDA attorney and Bill Lambert. While the IDA was represented by Bill Lambert and the BOCC attorney, we question why Joe Albritton attended the meeting to negotiate the contract. Was Joe Albritton present to look out for the interests of the IDA and Hardee County, or was he concerned for his business venture? The resulting contract has thus far proven to be a bad deal for the citizens of Hardee County. Among its shortcomings were: 1) No tangible measurable outcomes or deliverables to be accomplished within established timeframes; 2) complete lack of ability for the IDA to monitor how the public's money was being spent as the grant money was paid; 3) insufficient provisions to protect the citizens if the grant recipient decides to sell or move away from Hardee County; and 4) it allowed the private grant recipient to dictate the terms of the contract.

As part of the agreement, the IDA agreed to pay Lifesync Technologies, Inc. \$2,657,813. The IDA agreed to pay this money to a company that had no track record, owned by a state representative with no track record, with a company that had been formed only weeks before the grant award.

The implementation and monitoring of the grant by Bill Lambert and the IDA Board Members was incredibly insufficient. Bill Lambert seemed more concerned with protecting the privacy rights of the company receiving public funds at the expense of truly understanding how the company was spending the public's money. We observed a mentality, among the IDA Board Members and Bill Lambert, that asking for documentation and verification from the grant recipient might in some way offend them. Instead of utilizing exemptions in Florida's Public Record Law to protect sensitive company information from the company, Bill Lambert simply

chose to not take possession of documents that he needed to truly see how the public's money was being spent. Bill Lambert appeared timid, afraid, and embarrassed to scrutinize closely or ask questions about how the various expenditures were benefiting the project and the people of Hardee County. The following LifeDash AMEX Charges spreadsheet, Illustration 1, & Illustration 2 show some ways the public's money was spent in the first year of the contract.

LifeDash AMEX Charges

Purchase Location	Amount
7-eleven	\$ 276.28
900 Degrees Wood	\$ 114.80
airport	\$ 12.99
Amazon.com	\$ 2,448.36
American Cancer Soc	\$ 100.00
Amtrack	\$ 14.00
Apple Store	\$ 636.80
Arby's	\$ 30.01
Audio Books	\$ 17.95
Barnes & Noble	\$ 79.26
Berries in the Grove	\$ 56.98
Best Western	\$ 661.74
Bob Evans	\$ 86.88
Bonefish Grill	\$ 38.21
Bonsai Sushi	\$ 296.41
Book Store	\$ 40.68
BP	\$ 1,278.43
Budget Rent Car	\$ 1,755.30
Burger Monger	\$ 46.28
BWI Taxi	\$ 668.11
Café Asia	\$ 59.50
Cantina Laredo	\$ 164.69
CH Philadelphi food	\$ 294.08
Charity	\$ 500.00
Chevron	\$ 84.18
Chilis	\$ 123.68
Citgo	\$ 147.55
Courtyard by Mariott	\$ 202.22
Cracker Barrel	\$ 69.31
Custom Flag Co	\$ 447.00
Delta Airlines	\$ 1,122.40
Dickies BBQ	\$ 214.01
Dillards	\$ 49.00
DJ4Tampa	\$ 105.00

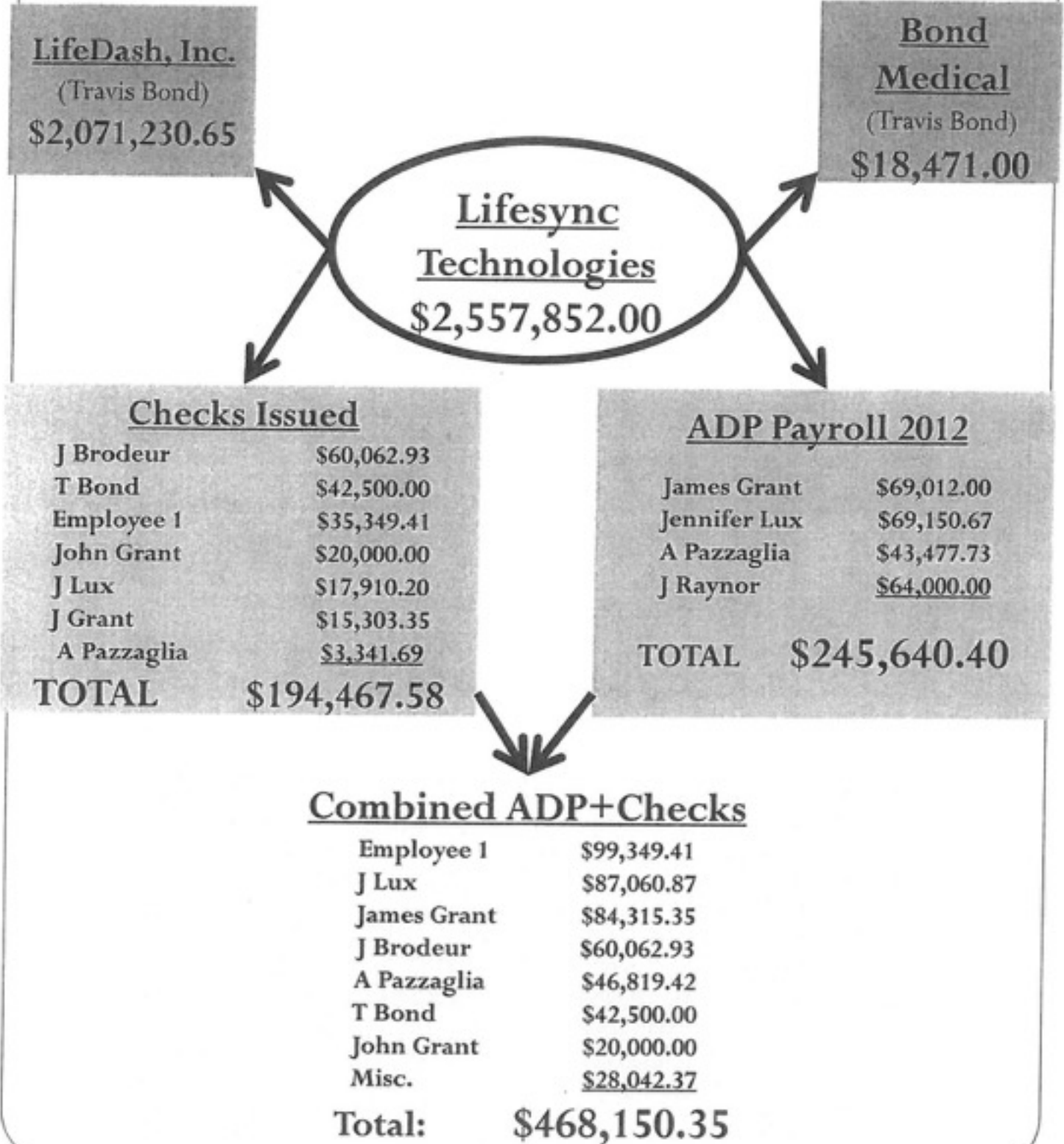
DNC Travel	\$ 8.16
Domain Directors	\$ 60.10
Don Jose Mexican	\$ 110.26
Dunkin Wesley chpl	\$ 458.23
EasyBackgrounds	\$ 119.00
EB Mid Atlantic	\$ 199.00
Eggspectations	\$ 39.73
Enterprise RentaCar	\$ 1,175.99
Europeregistry	\$ 61.87
Event Registration	\$ 570.00
First Watch Food	\$ 42.30
Flanigans	\$ 5.32
Friedreichs Ataxia	\$ 710.00
Fuel	\$ 50.11
Gen Alcohol BP	\$ 16.73
Giovanni's Main St.	\$ 133.16
Godiva Chocolates	\$ 32.90
Grand Rental Station	\$ 93.79
Grillsmith	\$ 133.14
Groupon	\$ 396.00
Grove 16 Theatre	\$ 23.50
Hampton Inn	\$ 2,650.88
Hooters	\$ 68.57
Hungry Harrys	\$ 557.87
Hungry Howies	\$ 150.05
Hyde Park Villa	\$ 68.48
Ithemesmedi	\$ 128.05
Java Café	\$ 770.12
JetBlue	\$ 458.60
Jimbo's BBQ	\$ 10.62
John & Kira Chocolate	\$ 46.95
Latin Twist Café	\$ 246.82
Long Horn Steaks	\$ 73.03
Lovesac	\$ 510.40
Mad Dogs	\$ 23.67
Maggianos	\$ 167.16
Marathon	\$ 56.59
Marchello's Pizza	\$ 89.78
Marriott	\$ 35.16
McDonalds	\$ 211.87
Mekentia Mexican Grill	\$ 39.38
MGM Bellagio LV	\$ 200.80
Michaels	\$ 96.25
Moe's SW Grill	\$ 21.03
News Conn TPA	\$ 8.58
Olive Garden	\$ 535.13

OMH Icecream	\$ 6.18
Ope's Laundromat	\$ 11.35
Oriental Trading Co	\$ 179.49
Papa Johns	\$ 24.26
Parking Airport	\$ 361.00
Paypal	\$ 240.35
PDQ	\$ 199.77
Penn Station	\$ 14.00
Publix	\$ 251.36
Red Robin Wesley	\$ 454.21
Renaissance Phili	\$ 1,769.58
Rental Ins	\$ 274.45
Rush King Promotions	\$ 2,349.35
Shell Oil	\$ 538.16
Shortstop	\$ 97.15
Sushi Alive	\$ 261.44
SW Airlines	\$ 12,866.00
SweetBay	\$ 227.71
Taco Bell	\$ 22.03
Tampa Ale House	\$ 29.08
Tampa Bay Tech	\$ 100.00
Target	\$ 669.66
The Hungry Greek	\$ 76.14
Tijuana Flats	\$ 190.11
Top Thai	\$ 136.00
Uber Tech Transportation	\$ 42.00
United Airlines	\$ 298.90
US Airways	\$ 1,115.60
USF Alumni	\$ 150.00
Walgreens	\$ 827.62
WalMart	\$ 1,161.17
Wendy's	\$ 25.63
Wet Willies	\$ 17.00
WPY MedStart Pmt	\$ 750.00
Yellow Cab	\$ 60.00
Total	\$ 49,703.97

Illustration 1

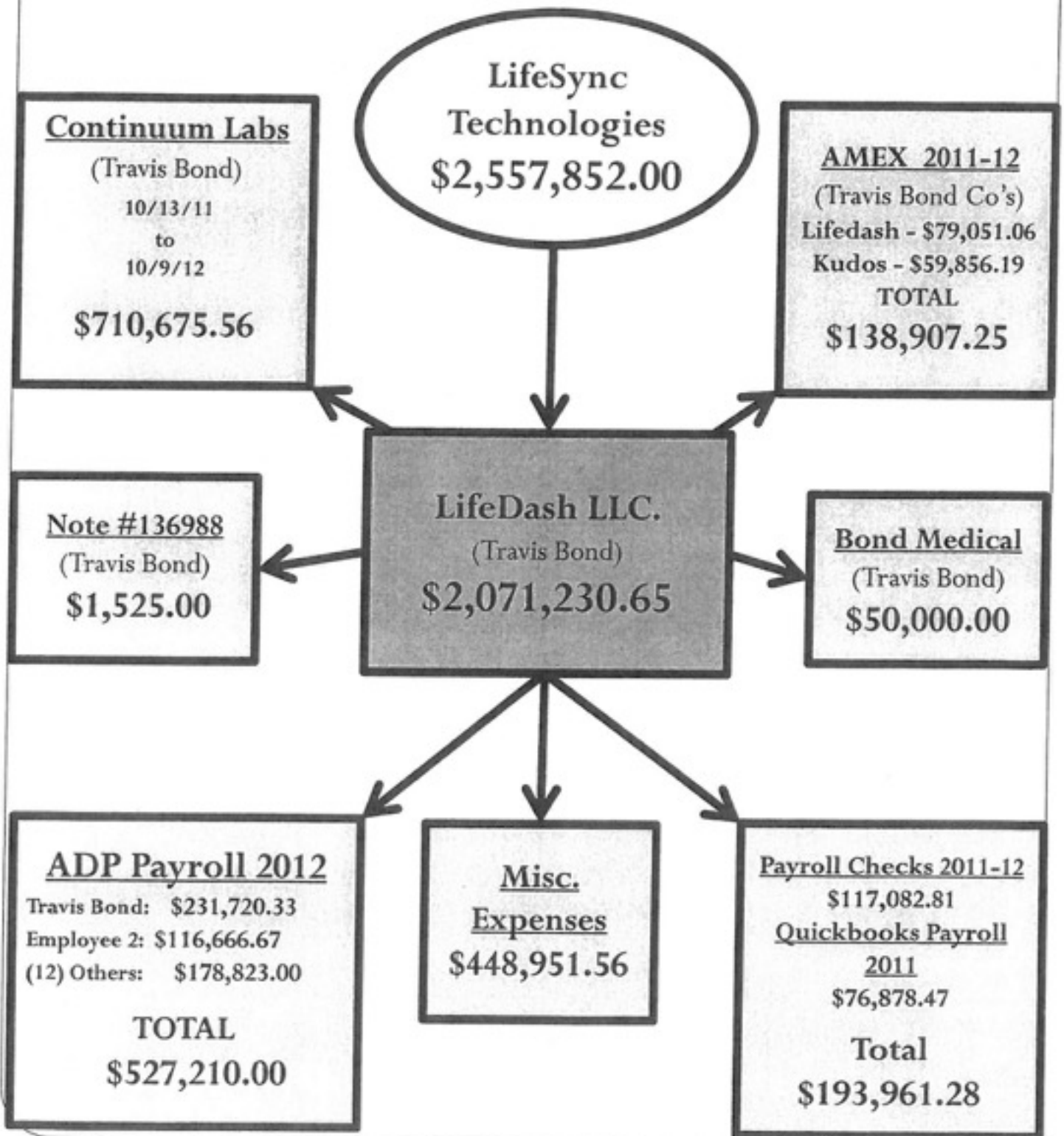
Lifesync Technologies Cash Flow

09/2011 - 11/2012



LifeDash LLC Cash Flow

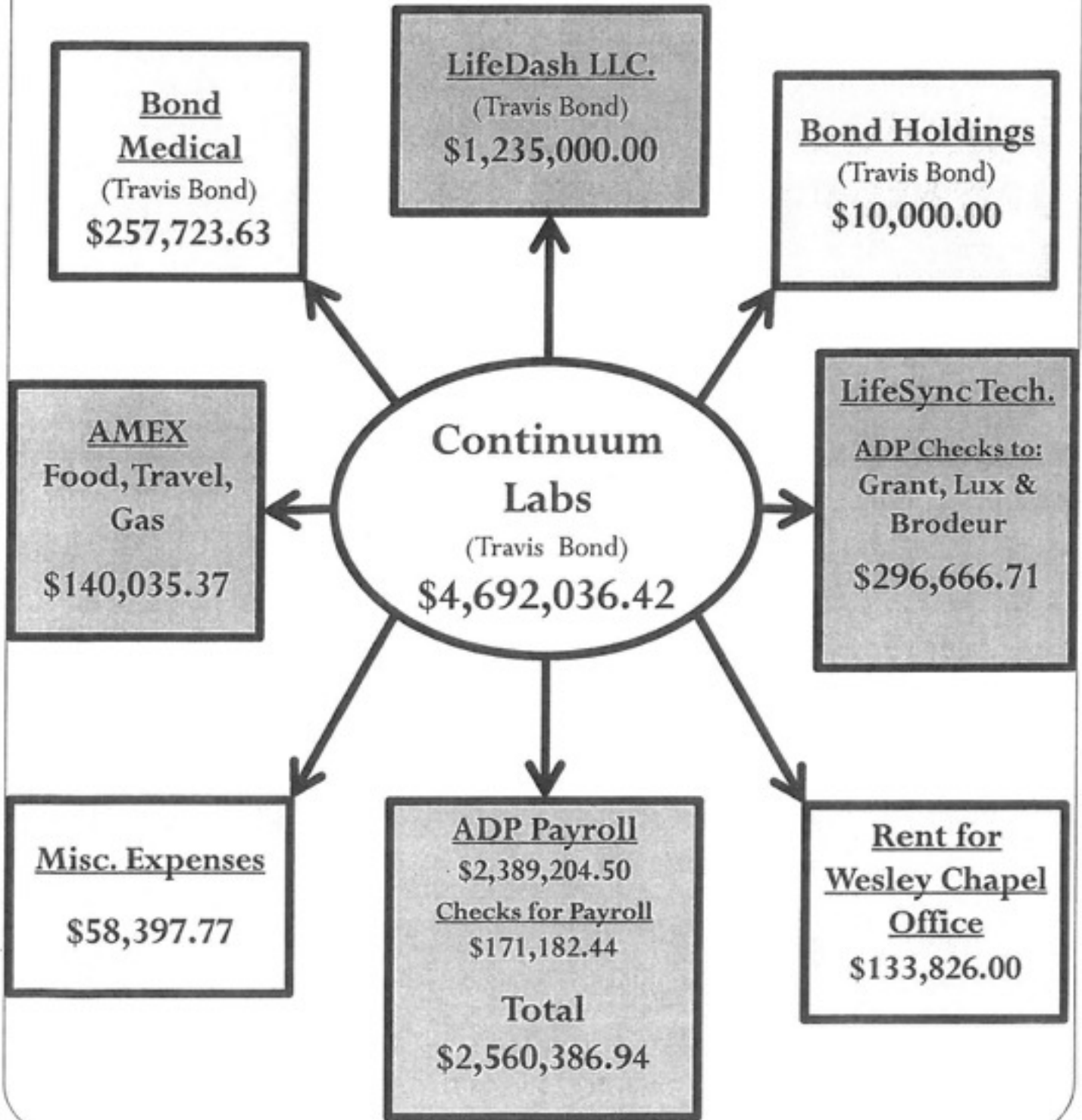
09/2011 - 11/2012



Following the first year of grant disbursements to Lifesync Technologies, Inc., a year that saw disbursements totaling \$2,657,813.00 and no documentable progress towards creating long term jobs in Hardee County, a contract modification was enacted. The contract modification resulted in Travis Bond becoming the lead man on the project and James Grant moving to the background. On November 13, 2012, the IDA subsequently approved the Assignment Modification Agreement with Travis Bond's company, Continuum Labs, Inc. (hereinafter "Continuum"), taking the lead in the project. Year two of the grant agreement saw payments to Continuum totaling \$3,701,266.86. On October 15, 2013, the IDA authorized the remaining payment of \$990,881.14 to Continuum. Between 2011 and 2013, Travis Bond and his wife personally received over \$1,440,000.00 of Hardee County money in salaries, consulting fees, and Application Program Interface (API) fees. Illustrations 3 & 4 give a closer view of the Continuum Labs Cash Flow and the Bond's income during this period.

Continuum Labs Cash Flow

10/2012 - 02/2014



Continuum Labs, Inc.

2011-2014

Management, Marketing, & Sales Consultants

1. Ken Lambert - \$67,940
2. Rep. James Grant - \$159,671
3. Jennifer Lux - \$163,833
4. Rep. Jason Brodner - \$60,062
5. Anthony Pazzaglia - \$174,218
6. Employee 1 - \$128,016

Over \$750,000 in Salaries

Wesley Chapel Employees

54 Total Employee Salaries

Continuum - \$2.8 Million

BM - Over \$597,000

LD - Over \$633,000

Total - Approx. \$4 Million

Hardee County Employees

15 Total Employee Salaries
Total - Approx. \$357,000

Travis Bond

API - \$615,000

LD Salary - \$688,252

Consulting - \$42,500

Wife Lisa Bond - \$96,944

Total - Over \$1.44 Million

Approx. 300 Paying Users

Less Than 5 Pilot Projects

Clearly some individuals employed through the Blue Water and Caresync Project were living large off Hardee County money, and only the fox (Bill Lambert) was protecting the hen house (Hardee County citizens). If Bill Lambert or the IDA Board Members were doling out their own money rather than public funds, would they have been so careless? Would they have even considered funding the project with their own funds? Would they not have demanded verification and meaningful review of how the money was being spent? Based upon everything we have seen and heard, we find it doubtful that any reputable bank would have funded this project. While we do not question their dedication to Hardee County, Bill Lambert and the IDA Board Members let down our citizens by failing to ask the questions that need to be asked and investigate the claims made by those looking to take advantage of public money.

We are particularly concerned about the amount of public money paid to Continuum Labs, Inc. for "Training and Mentoring." Of the 15 Hardee County employees initially hired by Continuum for this project, two-thirds of them aren't even with the company anymore. For an example of the training and expenditures, in October 2012, the IDA paid Continuum \$183,190.00 for Training and Mentoring, but we learned that at that time there weren't even any employees to train or mentor, because none had been hired yet. In February 2013, the Hardee County IDA paid Continuum \$83,432.00. In total, over fourteen months, the Training and Mentoring expenditure was \$858,838.00. The Training and Mentoring expenditures are an example of a complete lack of monitoring of the grant by Bill Lambert and the IDA Board. Continuum Labs (Travis Bond) spent the public's money on questionable training and mentoring in the wide open, with the complete knowledge of the Bill Lambert and the IDA Board. The bills for training and mentoring were submitted and approved by the IDA with virtually no serious inquiry. The IDA Board chose not to ask for documents related to training and

mentoring from Continuum. What might appear to be a chargeable theft, sadly, but clearly is not when the conduct in question was approved and ratified by those charged with the responsibility of representing the county's taxpayers. We saw no oversight of public money in this endeavor and we find that unacceptable.

Public complaints have been plentiful during the Caresync project. Various state agencies have investigated in some capacity; none of which stopped the public concern with the how the public's money was being spent. One investigation was conducted by the Auditor General's Office. They concluded that the terms of the grant were extremely vague and non-descript – there was no way to determine when the project was complete. The Auditor General's investigator was met with a lack of cooperation from both the IDA and Lifesync Technologies, Inc. in his attempts to obtain records to properly analyze the grant. The Auditor General's Report, a public document, contained findings showing that the IDA failed on multiple levels, including failing to ensure that Lifesync was financially responsible and able to fulfill obligations under the grant; that no reasonable outcomes and other descriptions of deliverables were in the agreement; and that no detailed reports were submitted. Rather than complying with the Auditor's recommendations, the IDA Board resisted, disagreeing with the findings. We find that the Auditor's Report should be complied with in full, and the Board's response was unacceptable.

Rather than address legitimate concerns raised by members of the public, Bill Lambert and the IDA Board Members engaged in a bunker mentality in continuing to implement the grant. There is much division in Hardee County today and most of it centers around the Caresync Project. It is very likely that a lot of the information being cited by the "opposition" to the project is misinformation, but because Bill Lambert and the IDA Board Members refused to

require Lifesync and Continuum to produce the necessary documents to verify how the money was being spent and failed to insist on having measurable outcomes in the contract. Thus, there is a vacuum in which any information (even misinformation) can be inserted.

Bill Lambert, the IDA Board and Travis Bond engaged in public relations stunts, such as the creation of TechRiver University. This "university" was billed as a training center to help educate Hardee County citizens about computers and technology. In reality, it is a room at the TechRiver Complex with some tables, computer CPU's, monitors (which may not even be connected to the computers), and a dry erase board. We could find no evidence that any meaningful training has ever taken place at this "university," which hold no certifications, employs no instructors, or has any schedule of classes. We find that the entire "university" concept was created as a feel good charade while less than five miles north of the TechRiver University exists a very fine accredited state college, with qualified professors, at least two well-equipped computer labs, and a full schedule of computer and technology classes, including those specifically geared toward novices in the community looking for an introduction to computers. We believe that this was a publicity stunt by Bill Lambert and the IDA Board to divert public attention from the problems festering in the grant process.

Another reason for public concern over this project is the results. The public is entitled to know what it got for its \$7,250,000.00. Instead of being productive fact finding public meetings, the IDA Board Meetings have become public cheerleading sessions for the project that devolve into contentious adversarial confrontations by members of the public. Simply put, if even half of the promises and representations made by James Grant and Travis Bond had been fulfilled, the public would today have tangible evidence of how its money was spent. Instead, the goal line keeps getting extended, and the project shows little or no tangible results. We learned that after

we began meeting, Continuum engaged in a flurry of hiring. Even with that, this project has not produced the jobs promised, nor has it put Hardee County on track to be a technology hub. Travis Bond and his high paid employees still operate out of Wesley Chapel in Pasco County, not Hardee County and the Hardee County Public is paying the rent in Wesley Chapel. And while we have learned that there is a functioning application, we don't see how this benefits Hardee County. Given the deficient and poorly written contract, in a few short years, Travis Bond could pack up his things, end all operations in Hardee County and do whatever he would like with his company – with no obligation to repay Hardee County back any of the \$7,250,000.00. Things such as the “TechRiver University” were a complete waste of public dollars. While proponents of the project continuously talk of better things to come tomorrow, next month, and next year, they never seem to come to fruition. We, as grand jurors and residents of Hardee County, hope very much that the optimism of the proponents comes true. We recognize the need for jobs and expanding industry. Now that the money has been spent, there is nothing left to do but hope that Travis Bond is truly the visionary that Bill Lambert and the IDA Board believe him to be and that many good things result in Hardee County. We are skeptical based upon performance to date, empty promises, and virtually non-existent review by the IDA.

Time, thus far, has proven that Hardee County's largest single investment is what was supposed to be a job producing boon for the county, is a disaster. Yet, many of the project's supporters claim it will someday payoff.

How can an investment of this magnitude go so poorly? The Hardee County Commission must share great responsibility for its failure to make sure the county's IDA Board was a genuine representative group of citizens – those with a varying opinion willing to question

the wisdom of the expenditure. We learned that those who have opposing views to the Chairman of the County Commission, or who ask too many questions, are not welcome as a member of the IDA; that must change. We now know that the IDA, as currently constituted, has proven to be but a rubber stamp for Bill Lambert. Bill Lambert has proven himself capable of representing the interest of an individual or local business over the interest of the citizens at large. Lambert's failure to vet the project and those who stood to make millions from it, relying largely on their political ties, was a lack of due diligence to the extreme. His complicity in hiding the planned business relationship of an IDA member from the community was an egregious disservice to all.

One must recognize that our elected (or appointed) representative officials are empowered by the public to make perfectly poor decisions. The IDA grant to Lifesync / Continuum has proven thus far to be a prime example. One attorney represents the County Commission, the EDA and the IDA at the same time. One executive director, Bill Lambert, serves without review or evaluation, and answers to a hand-picked authority that serves as a rubber stamp to what Bill Lambert wants to do. One chairman of the County Commission controls the appointment of members to the IDA, and apparently can have vacant seats until he finds someone who is just willing to go along to get along. Ultimately, the citizens will get only that which they demand by participating in the election process to ensure representative government.

We, the Grand Jury, recommend as follows:

The County Commission should fill any vacancy on the IDA Board within 60 days. The County Commission should take immediate action to fill the two currently vacant seats on the IDA Board by considering the eleven current applications for the positions. Qualification of applicants should be based upon their fitness to serve, rather than being the type of person that

will go along with the rest of the IDA Board. Reappointment of IDA Board members must be handled publically and subject to public input.

Reports regarding expenditures were packaged to the IDA Board in a fashion that said "Approve them." The Board did not know how or did not have the desire to ask meaningful and relevant questions. The situation was worsened by Bill Lambert's failure to understand the public records law and by failing to keep or demand detailed records of expenditures. The Board, with rare exceptions, happily accepted and approved whatever was presented. The bottom line: a failure to properly protect the citizens' investment.

We recommend that the process for application, approval and monitoring of IDA grants be completely revamped and that Bill Lambert not be involved with the process. A model to consider following is the grant approval process utilized by the Economic Development Authority. The process should start with a meaningful review of the applicant to determine the stability and legitimacy of the proposed grant recipient. The grant agreement should include tangible measurable outcomes that are closely monitored. The grant agreement should contain sufficient provisions to protect the public money if the applicants do not do what they agree to do. Finally, the grant should be paid in installments, only after proof that the prior public monies have been properly spent and the project, as proposed, is still on track.

A significant flaw in the process was the failure to have a technology expert looking out for the interests of the Hardee County citizens' interests. This failure should not be repeated in the future.

While we think good practice would be to have separate counsel for each county board, we strongly recommend that the IDA have its own attorney. Once a new attorney is hired for the

IDA Board, the attorney should immediately begin reviewing all current grants for problems and make recommendations on how to best address those issues as soon as possible.

Any future grants awarded by the IDA should have restrictions that require open positions be advertised and priority should be given to Hardee County residents.

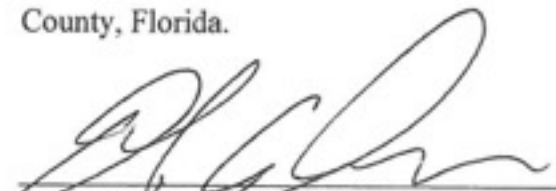
The Economic Development Executive Director should be retained pursuant to an annual contract. The director should be subject to an annual review that is subject to public comment and should be performed by the Board of County Commissioners. Each year, the director should be required to reapply for the position and others who are interested in the position should be permitted to submit an application for consideration. Additionally, all IDA staff members should be required to undergo an annual evaluation that is subject to public inspection. We strongly recommend this process should begin June 1, 2015.

It is most clearly time, based on Bill Lambert's and the IDA Board's conduct, or lack of meaningful oversight, to implement a better "security system." Needed: An individual unafraid to make absolutely certain every dollar spent by the grantee had an articulable purpose toward achieving the stated purpose of the grant. If there were issues, to immediately address those issues until satisfactory answers – or not – were discovered. Bill Lambert does not appear to qualify to continue as Economic Development Executive Director. There should be a penalty attached for the failure to safeguard public monies.

There will always be a degree of risk when investing in new industry or new businesses. A certain amount of risk is expected and necessary at times. Recognizing that risk does not authorize those whom the public trusts with its money to be careless and speculative. There is much to be learned from the Caresync project and much incentive to not let this process repeat itself in the same way in the future. Should the day come when this "investment" proves

beneficial, we can only state that it most assuredly would have come quicker with appropriate oversight. We urge future Grand Juries to be mindful of our recommendations and take appropriate action if these recommendations are not followed.

Respectfully submitted this 1st day of January, 2015, in open court in Wauchula, Hardee County, Florida.



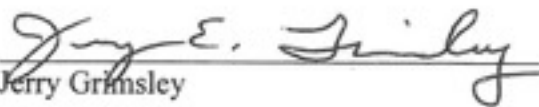
Johnny Cogburn, Foreman



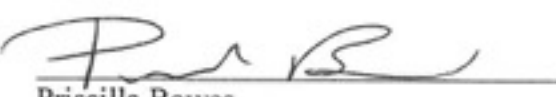
Leslie Bond, Clerk



John Platt



Jerry Grimsley



Priscilla Bowes



Clarence Meader



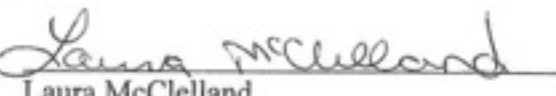
Randy Warnock




Jerry Batts



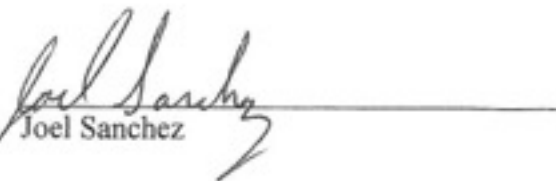
Ashley Svendsen



Laura McClelland



William Albritton



Joel Sanchez

Isidoro Hernandez
Isidoro Hernandez

Amy Sandoval
Amy Sandoval

Susan Moye
Susan Moye

Paul Rickett
Paul Rickett

CERTIFICATE OF THE STATE ATTORNEY

I, Jerry Hill, State Attorney for the Tenth Judicial Circuit of Florida, do hereby certify that as authorized and directed by law, I have advised the Grand Jury in regards to returning this Presentment.

Jerry Hill
JERRY HILL
STATE ATTORNEY
TENTH JUDICIAL CIRCUIT

PRESENTED by the Grand Jury and filed in open court, this 7th day of January, 2015.

Victoria L. Rogers
CLERK OF THE CIRCUIT COURT



