



TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET • P.O. BOX 3084 • HONOLULU, HAWAII 96802 • TELEPHONE 533-6261

January 16, 1998

VIA FAX (586-0006)

Ms. Laura Matsuda-Colbert
Office of the Governor
State Capitol, 5th Floor
Honolulu, Hawaii 96813

Dear Ms. Matsuda-Colbert:

This is further to our discussion as to the types of services which Title Guaranty of Hawaii can provide with respect to the operation of the Bureau of Conveyances.

First and of paramount importance is the fact that Title Guaranty has a sophisticated title plant and computer and telecommunications technology and equipment. We also have a staff very experienced in the workings of the Bureau of Conveyances, including the Land Court. We already perform many functions which are duplicated by the Bureau. There is no doubt that many areas of operation can be made more efficient and cost effective. And, we believe, at or above a level of service which the public is currently provided. Among other things, our network has the capability of operating in all the counties and is not constrained to the geography of the Bureau.

The areas where we could provide virtually immediate efficiencies are:

1. Microfilming/imaging all recorded documents.
2. Data entry of the grantor/grantee index (daily entries).
3. Certification of Land Court Certificates of Title.

We maintain a CD-ROM based imaging system with fast computer based access to documents dating to 1986.

400216



Ms. Laura Matsuda-Colbert
Page 2
January 16, 1998

Documents created before that date are also accessible, with but a moderate delay. Our imaging system is both fast and functional.

The Land Court system, as you know, has its own unique operations and challenges. While some of its issues, especially those of liability under the Transfer Certificates of Title, would have to be satisfactorily resolved, the operations can be greatly streamlined and enhanced. Our computerized Land Court title plant can significantly improve the efficiency and timeliness of services.

While we have the capability of handling all of the functions of the Bureau, including the Land Court, the foregoing identified areas could be implemented within a 30-60 day time frame. We are certain there are other areas that also could be identified after a fuller discussion and dialogue with you as to the types of services or operations that you might have in mind.

We stand ready, willing and able to assist you and your people in achieving your desired goals.

Very truly yours,


Michael A. Pietsch
President

400217

**SENATE COMMITTEE ON WAYS AND MEANS
SUPPLEMENTAL BUDGET REQUEST FOR FISCAL YEAR 1998-1999
JANUARY 12, 1998**

Program Structure Number: 100303

Program I.D. and Title: LNR 111, Conveyances and Recording

Page References in the Supplemental Budget Document: Vol. II, Pages 660-661

I. Introduction

A. Summary of Program Objectives

To protect the public by providing for an accurate, timely, and permanent system of registering and recording land title and related documents and maps.

B. Description of Program Activities

The program's activities include the examination, recordation, indexing, and processing of all legal and land title documents and maps entitled to recordation; issuance of Land Court Certificates of Titles; certified copies of matters of record and Uniform Commercial Code information requests.

II. Problems and Issues

A. Discussion of Problems and Issues Encountered

Staffing has decreased over the years from 65 authorized positions to 52 positions. In addition, recruitment and filling of vacancies has been delayed pending Governor's approval. Reduced staffing along with a heavy, labor intensive workload has resulted in a seven months backlog in Land Court documents.

B. Program Change Recommendations to Remedy Problems

The Department is working with DAGS-ICSD to solicit proposals for a comprehensive computerized recordation and indexing system. The special fund enacted by Act 203/97 will enable the Bureau to establish and maintain an improved computer system. The Bureau currently operates three separate stand alone systems. A fully integrated and compatible system will expedite the recordation process, provide immediate online information accessibility by staff and the general public in all counties, and eliminate the backlog.

400218

III. Performance Measures

A. Explanation of how Program Effectiveness is Measured (other than PPB Measures of Effectiveness).

The Bureau continually monitors work productivity in each section on a weekly basis. Each section maintains weekly statistics on workload accomplished.

B. Discussion of how these performance measures relate to the Mission of the Department.

These measures enable the Bureau to monitor and project workload and revenue. The Bureau is the department's largest revenue generator. In FY 97 revenues exceeded \$17 million. This included the collections for conveyance taxes of which 25% supported the Natural Area Reserve Fund (\$1.5 million) and 25% the Rental Housing Trust Fund (\$1.5 million) as provided under Act 195/93 and collections for the special mortgage recording fee for DCCA-Hawaii Hurricane Relief Fund (\$5.7 million). The Bureau also maintains records on land transactions that assist the public in genealogy and title searches.

C. Description of changes made to increase efficiency and effectiveness of the Program during the past 2 years.

The Bureau's modernization fund successfully established under Act 203/97 will significantly increase efficiency in the recordation process, allow the public in all counties to have access to current recorded information, and establish other possible sources of revenue.

IV. Economic Recovery

A. Discuss actions taken by the Program to address proposals of the Economic Recovery Task Force.

The Bureau is the life line for Hawaii's multi-billion dollar real estate industry serving as the sole public repository for all land title documents and maps entitled to recordation. Curtailment of this viable function or further reduction of staffing will have a direct economic impact on this major industry.

As mentioned above, the Bureau is the department's largest revenue generator (over \$17 million in FY 97) having an operating budget of less than ten percent of its revenues and helps facilitate the funding for the Natural Area Reserve Fund, the Rental Housing Trust Fund, and the Hawaii Hurricane Relief Fund.

The Bureau's modernization fund will strengthen its efficiency in delivering government services by computerizing the Land Court and Regular System for

400219

recordation and providing the public in all counties direct access to recorded information. Currently, this information is only available at the Bureau's office in Honolulu. It is hoped that this modernization will also double the current revenues through user fees, hook-up fees and on-line charges for 24-hour access to recorded information, and increased requests for certified copies of records.

B. Impact of ERTF actions on Program

The actions of ERTF will not have a significant impact on the operations of the Bureau.

C. Identify specific proposals and/or budget requests related to the ERTF.

Funding for the Bureau's modernization fund will assist ERTF by providing additional avenues for revenue generated from public access to government records.

V. Actual Prior Year Expenditures FY 1997

	Act 287/96 FY 97	Additions/Reductions CB,Transfers,Restrictions	Net Allocation	Actual Expenditures (to Include Encumbrances)
(Pos. Count)	(53.00)			(53.00)
Personnel				
Services	1,632,357	27,935 (139,200)	1,521,092	1,402,548
Current Expenses	154,504	(41,000)	113,504	121,758
Equipment	107,200	0	107,200	82,535
Motor Vehicles	0	0	0	0
Total	<u>1,894,061</u>	<u>27,935</u>	<u>1,741,796</u>	<u>1,606,841</u>
Less:				
Special				
Federal				
Other	143,768	0	143,768	9,858
(Pos. Count)	(49.00)			(49.00)
General Fund	1,750,293	27,935 (180,200)	1,598,028	1,596,983

400220

Narrative (Explain Differences between Appropriation and Expenditures)

The actual expenditures were less than appropriated due to eight position vacancies during the year. Savings of \$139,200 were transferred to LNR 172 (\$18,600), LNR 405 (\$67,700), and LNR 804 (\$52,900). These savings were due to recruitment problems in filling the vacant positions. The savings of \$41,000 due to postponement of purchasing microfilm reels were transferred to LNR 172 (\$3,000) and LNR 405 (\$38,000).

VI. Projected Expenditures FY 1998

	<u>Act 328/97 FY 98</u>	<u>Collective Bargaining</u>	<u>Transfers In/(Out)</u>	<u>(Restriction)/ Specific Apprn</u>	<u>Net Allocation</u>	<u>Estimated Total Expenditures</u>
(Pos. Count)	(52.00)					(52.00)
Personnel						
Services	1,724,636	92,050	0	(121,541)	1,695,145	1,695,145
Current						
Expenses	154,504	0	0	0	154,504	154,504
Equipment	20,284	0	0	0	20,284	20,284
Motor						
Vehicles	0	0	0	0	0	0
Total	<u>1,899,424</u>	<u>92,050</u>	<u>0</u>	<u>(121,541)</u>	<u>1,869,933</u>	<u>1,869,933</u>
Less:						
Special						
Federal						
Other	143,768	9,895	0	(4,829)	148,834	148,834
(Pos. Count)	(48.00)					(48.00)
General Fund	1,755,656	82,155	0	(116,712)	1,721,099	1,721,099

Narrative

A. Explain all transfers within the Program I.D. and the impact on the program

None.

400221

B. Provide details on program restrictions

Program restrictions are due to delays in filling vacant positions (\$52,670) and payroll lag (\$68,871).

VII. Supplemental Budget Request FY 1999

	<u>Act 328/97 FY 99</u>	<u>Budget Adjustments FY 99</u>	<u>Supplemental Request FY 99</u>
(Position Count)	(52.00)		(52.00)
Personal Services	1,724,636	50,000	1,774,636
Current Expenses	154,504	400,000	554,504
Equipment	20,284	50,000	70,284
Motor Vehicles	0	0	0
	<hr/>	<hr/>	<hr/>
TOTAL	1,899,424	500,000	2,399,424
Less:			
Special		500,000	500,000
Federal			
Other	143,768	0	143,768
(Position Count)	(48.00)		(48.00)
General Fund	1,755,656	0	1,755,656

Narrative

Explain Program Request

- 1. Description of request, reason for request, and desired outcomes or objectives to be accomplished.**

An appropriation of \$500,000 is requested to implement the Bureau's modernization fund established by Act 203/97. Funds will be used to cover costs for overtime (\$50,000), contractual services (\$400,000), and computerized map scanning equipment (\$50,000).

400222

2. Listing/Description of positions requested, and funding requirements by cost category and source of funding.

None.

VIII. Supplemental CIP Requests for Fiscal Year 1999:

None.

IX. CIP Trade-Off, Lapse, or Deletion for Fiscal Year 1999

None.

400223

Michael Wilson
State of Hawaii
Department of Land and Natural Resources
1151 Punchbowl
Honolulu, Hawaii 96813

13 March, 1998

Dear Mr. Wilson,

As a result of several detailed discussions with Mason Young and Carl Watanabe, from the Bureau of Conveyances, Title Guaranty of Hawaii ("Title Guaranty") is pleased to offer this Letter of Intent. If accepted, Title Guaranty will provide certain services and equipment to the Bureau of Conveyances. The services are broken down into two "phases." If Phase One is well-received, then Title Guaranty and the Bureau of Conveyances may agree to implement Phase Two.

Phase One:

- Title Guaranty installs *and operates* a high-speed paper scanning system at the Bureau of Conveyances.
- Title Guaranty also installs computers and software that allow the scanned images to be retrieved and viewed.
- Title Guaranty operates this system daily, scanning all recorded documents. The documents are scanned after they have reached a certain point within the Bureau of Conveyances's internal workflow.

Selection of this point has been informally agreed upon, but its ultimate location remains at the discretion of the Bureau of Conveyances.

- The Bureau of Conveyances is allowed to use one or two image viewing stations, to retrieve and view images scanned within the last week or two (how far back it can go is a function of the amount of storage space on the local computers used for image retrieval).
- Title Guaranty is allowed to load the scanned images into its main Imaging System.

Phase Two:

- Title Guaranty connects to the Bureau of Conveyances via a high-speed Wide Area Network (WAN) connection. This connection is used for the following functions:

1. The Bureau of Conveyances may use Title Guaranty's main Imaging System to view any images which have been scanned via the new paper scanning system that is located at the Bureau of Conveyances.

400224

2. The Bureau of Conveyances may use Title Guaranty's Grantor/Grantee database to look up selected details about recorded transactions.

This database contains, at any given time, information from six months previous up until the present.

3. Title Guaranty can send the daily scanned images directly into its main Imaging System immediately, where they will be available to Title Guaranty, the Bureau of Conveyances, and also to any interested third-party customers.

The latter will be charged, typically on a per-image basis.

The Bureau of Conveyances will also be charged—on a yearly flat-rate fee basis—but will not actually pay any fees to Title Guaranty, as the daily scanned images will be considered to be worth precisely the same amount as the yearly fee.

The reasoning behind this is that Title Guaranty needs to have a consistent policy towards the public, and that policy is simply that anyone using Title Guaranty's main Imaging System will be charged for that usage.

* * * * *

If the foregoing is in accordance with your understanding, please sign a copy of this letter in the space provided and return it to us. If you have any questions, please call Cynthia Nakaya at 521-0258.

Sincerely,

Michael A. Pietsch

ACCEPTED BY

DATE

TITLE

400225

Michael Wilson
State of Hawaii
Department of Land and Natural Resources
1151 Punchbowl
Honolulu, Hawaii 96813

13 March, 1998

Dear Mr. Wilson,

As a result of several detailed discussions with Mason Young and Carl Watanabe, from the Bureau of Conveyances, Title Guaranty of Hawaii ("Title Guaranty") is pleased to offer this Letter of Intent. If accepted, Title Guaranty will provide certain services and equipment to the Bureau of Conveyances. The services are broken down into two "phases." If Phase One is well-received, then Title Guaranty and the Bureau of Conveyances may agree to implement Phase Two.

Phase One:

- Title Guaranty installs *and operates* a high-speed paper scanning system at the Bureau of Conveyances.
- Title Guaranty also installs computers and software that allow the scanned images to be retrieved and viewed.
- Title Guaranty operates this system daily, scanning all recorded documents. The documents are scanned after they have reached a certain point within the Bureau of Conveyances's internal workflow.

Selection of this point has been informally agreed upon, but its ultimate location remains at the discretion of the Bureau of Conveyances.

- The Bureau of Conveyances is allowed to use one or two image viewing stations, to retrieve and view images scanned within the last week or two (how far back it can go is a function of the amount of storage space on the local computers used for image retrieval).
- Title Guaranty is allowed to load the scanned images into its main Imaging System.

→ TG. Bureau, others

Phase Two:

- Title Guaranty connects to the Bureau of Conveyances via a high-speed Wide Area Network (WAN) connection. This connection is used for the following functions:

1. The Bureau of Conveyances may use Title Guaranty's main Imaging System to view any images which have been scanned via the new paper scanning system that is located at the Bureau of Conveyances.

400226

go forward with
few rate
to record
depend

2. The Bureau of Conveyances may use Title Guaranty's Grantor/Grantee database to look up selected details about recorded transactions.

This database contains, at any given time, information from six months previous up until the present.

3. Title Guaranty can send the daily scanned images directly into its main Imaging System immediately, where they will be available to Title Guaranty, the Bureau of Conveyances, and also to any interested third-party customers.

The latter will be charged, typically on a per-image basis.

The Bureau of Conveyances will also be charged—on a yearly flat-rate fee basis—but will not actually pay any fees to Title Guaranty, as the daily scanned images will be considered to be worth precisely the same amount as the yearly fee.

The reasoning behind this is that Title Guaranty needs to have a consistent policy towards the public, and that policy is simply that anyone using Title Guaranty's main Imaging System will be charged for that usage.

delete for now

Thank you for your time and consideration.

add ... project

Sincerely,

Michael A. Pietsch

Cynthia Nakaya

From: John Hubbard
To: Cynthia Nakaya
Cc: Jerry Opedal; Lois Kawano
Subject: Project Status: Bureau of Conveyances Scanning
Date: Wednesday, March 18, 1998 1:39PM

Cynthia,

Here's the latest on the Bureau of Conveyances project:

1. SIS has completed a quote for the project. It leaves them responsible for building the system and for creating a compatible "data package" that we can import into our Main Imaging System.

a. This is a good quote and we should have Michael sign it and get them started, once as we know we're going ahead with the project. Lois is considering getting the spreadsheet pre-approved, a technique which greatly eased the purchasing process during the Title Plant Renovation project.

b. The net cost of Phase 1, after taking SIS's estimate into account, is only 5.5% higher than my original estimate. However, it could go up; see below...

2. Carl Watanabe of the Bureau of Conveyances called on Tuesday. He'd like to create separator sheets, formatted for the OCR process, to be filled with information and inserted into the scanner between documents.

a. This is a good idea, as long as it is the Bureau (not us!) who creates those sheets. Carl asked us to create a template separator sheet as soon as Cynthia returns.

b. However, this will change the job, and we'll need to get another quote from SIS if we were to incorporate this idea.

3. The Letter of Intent has now been reviewed by Cynthia and Lois, and corrections/suggestions from each have been applied. It probably does not need to change, even with the separator sheets (see preceding paragraph) incorporated into the design.

4. WHAT'S NEXT: At this point, it seems that we'll want to get that template back to Carl soon. Then we have to find out how serious the Bureau is about using the separator sheets. If they are intent on the separator sheets, we'll have to redesign with SIS.

thanks,
jh

7/20 Called - on vacation

400228

Cynthia Nakaya

From: John Hubbard
To: Cynthia Nakaya
Subject: RE: Project Status: Bureau of Conveyances Scanning
Date: Friday, March 20, 1998 2:03PM

Cynthia,

Basically, he seems to think "the more, the better". In its most extreme form, this approach would lead to pulling all the information of interest out of the document, and putting it onto the separator sheet...basically doing what our people in the basement are doing!

This idea, by the way, is a perfect candidate for "version 2". In other words, let's talk them out of it for now, because all it is at this point is an remarkably effective way to delay the project and make it more expensive. Once the basic system is running, then we can add this separator sheet functionality more easily.

later,
john h

-----Original Message-----

From: Cynthia Nakaya
Sent: Friday, March 20, 1998 1:15 PM
To: John Hubbard
Subject: RE: Project Status: Bureau of Conveyances Scanning

John, I called for Carl to see what this separator sheet is. He is on vacation for the next two weeks. Do you have some idea what the content is? I can at least put together a draft. If not I'll wait for his return.

From: John Hubbard
To: Cynthia Nakaya
Cc: Jerry Opedal; Lois Kawano
Subject: Project Status: Bureau of Conveyances Scanning
Date: Wednesday, March 18, 1998 1:39PM

Cynthia,

Here's the latest on the Bureau of Conveyances project:

1. SIS has completed a quote for the project. It leaves them responsible for building the system and for creating a compatible "data package" that we can import into our Main Imaging System.

a. This is a good quote and we should have Michael sign it and get them started, once as we know we're going ahead with the project. Lois is considering getting the spreadsheet pre-approved, a technique which greatly eased the purchasing process during the Title Plant Renovation project.

b. The net cost of Phase 1, after taking SIS's estimate into account, is only 5.5% higher than my original estimate. However, it could go up; see below...

2. Carl Watanabe of the Bureau of Conveyances called on Tuesday. He'd like to create separator sheets, formatted for the OCR process, to be filled with information and inserted into the scanner between documents.

a. This is a good idea, as long as it is the Bureau (not us!) who creates those sheets. Carl asked us to create a template separator sheet as soon as Cynthia returns.

b. However, this will change the job, and we'll need to get another quote from SIS if we were to incorporate this idea.

3. The Letter of Intent has now been reviewed by Cynthia and Lois, and corrections/suggestions from each have been applied. It probably does not need to change, even with the separator sheets (see preceding paragraph) incorporated into the design.

4. WHAT'S NEXT: At this point, it seems that we'll want to get that template back to Carl soon. Then we have to find out how serious the Bureau is about using the separator sheets. If they are intent on the separator

sheets, we'll have to redesign with SIS.

thanks,
jh

400230

TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET
HONOLULU, HAWAII 96813

Phone No. (808) 533-6261

Fax No. (808) 533-5854

April 7, 1998

Michael Wilson
State of Hawaii
Department of Land and Natural Resources
1151 Punchbowl
Honolulu Hawaii 96813

Dear Mr. Wilson:

As a result of several detailed discussions with Mason Young and Carl Watanabe, from the Bureau of Conveyances ("Bureau"), Title Guaranty of Hawaii ("TG") is pleased to offer this Letter of Intent. If accepted, TG will provide certain services and equipment to the Bureau of Conveyances. The services are broken down into two "phases." If Phase One is well-received, then TG and The Bureau may agree to implement Phase Two.

Phase One:

- TG installs and operates a high-speed paper scanning system at the Bureau.
- TG also installs computers and software that allow the scanned images to be retrieved and viewed.
- TG operates this system daily, scanning all recorded documents. The documents are scanned after they have reached a certain point within the Bureau's internal workflow.

Selection of this point has been informally agreed upon, but its ultimate location remains at the discretion of the Bureau.

- The Bureau is allowed to use one or two image viewing stations, to retrieve and view images scanned within the last week or two (how far back it can go is a function of the amount of storage space on the local computers used for image retrieval).
- TG is allowed to load the scanned images into its main Imaging System.

provide
Disk

400231

April 7, 1998
Michael Wilson
State of Hawaii
Page 2

Phase two:

- TG connects to the Bureau via a high-speed Wide Area Network (WAN) connection. this connection is used for the following functions:
 1. The Bureau may use TG's main Imaging System to view any images which have been scanned via the new paper scanning system that is located at the Bureau.
 2. The Bureau may use TG's Grantor/Grantee database to look up selected details about recorded transactions.

This database contains, at any given time, information from six months previous up until the present.

3. TG can send the daily scanned images directly into its main Imaging System immediately, where they will be available to TG, the Bureau and any interested third-party customers.

Third party customers will be assessed by TG a fair rate to subscribe to the system in order to recoup its expenses.

The Bureau will also be charged on a yearly flat rate basis- however will not actually pay any fees to TG, as the daily scanned images will be considered to be worth precisely the same amount as the yearly fee. (The reasoning behind this is that TG need to have a consistent policy towards the public, that anyone using TG's main Imaging System will be charged for that usage.)

Thank you for your time and consideration. We look forward to a successful implementation of this project.

Yours truly,

Michael Pietsch
President

400232

TITLE GUARANTY OF HAWAII

INCORPORATED
235 QUEEN STREET
HONOLULU, HAWAII 96813

Phone No. (808) 533-6261

Fax No. (808) 533-5854

April 7, 1998

Michael Wilson
State of Hawaii
Department of Land and Natural Resources
1151 Punchbowl
Honolulu Hawaii 96813

Dear Mr. Wilson:

As a result of several detailed discussions with Mason Young and Carl Watanabe, from the Bureau of Conveyances ("Bureau"), Title Guaranty of Hawaii ("TG") is pleased to offer this Letter of Intent. If accepted, TG will provide certain services and equipment to the Bureau. The services are broken down into two "phases." If Phase One is well-received, then TG and the Bureau may agree to implement Phase Two.

Phase One:

- TG installs and operates a high-speed paper scanning system at the Bureau.
- TG also installs computers and software that allow the scanned images to be retrieved and viewed.
- TG operates this system daily, scanning all recorded documents. The documents are scanned after they have reached a certain point within the Bureau's internal workflow.

Selection of this point has been informally agreed upon, but its ultimate location remains at the discretion of the Bureau.

- The Bureau is allowed to use one or two image viewing stations, to retrieve and view images scanned within the last week or two (how far back it can go is a function of the amount of storage space on the local computers used for image retrieval).
- TG is allowed to load the scanned images into its main Imaging System where they will be available to TG, the Bureau, and any interested third party customer. TG will assess a fair rate to users of the system in order to recoup its expenses.

400233

- TG will provide a CD-Rom of the recorded documents

Phase Two:

- TG connects to the Bureau via a high-speed Wide Area Network (WAN) connection. This connection is used for the following functions:
 1. The Bureau may use TG's Grantor/Grantee database to look up selected details about recorded transactions.

This database contains, at any given time, information from six months previous up until the present.

2. TG can send the daily scanned images directly into its main Imaging System immediately, where they will be available to TG, the Bureau and any interested third-party customers.

Thank you for your time and consideration. We look forward to a successful implementation of this project.

Yours truly,

Michael Pietsch
President

400234

TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET
HONOLULU, HAWAII 96813

Phone No. (808) 533-6261

Fax No. (808) 533-5854

April 7, 1998

Michael Wilson
State of Hawaii
Department of Land and Natural Resources
1151 Punchbowl
Honolulu Hawaii 96813

Dear Mr. Wilson:

As a result of several detailed discussions with Mason Young and Carl Watanabe, from the Bureau of Conveyances ("Bureau"), Title Guaranty of Hawaii ("TG") is pleased to offer this Letter of Intent. If accepted, TG will provide certain services and equipment to the Bureau. The services are broken down into two "phases." If Phase One is well-received, then TG and the Bureau may agree to implement Phase Two.

Phase One:

- TG installs and operates a high-speed paper scanning system at the Bureau.
- TG also installs computers and software that allow the scanned images to be retrieved and viewed.
- TG operates this system daily, scanning all recorded documents. The documents are scanned after they have reached a certain point within the Bureau's internal workflow.

Selection of this point has been informally agreed upon, but its ultimate location remains at the discretion of the Bureau.

- The Bureau is allowed to use one or two image viewing stations, to retrieve and view images scanned within the last week or two (how far back it can go is a function of the amount of storage space on the local computers used for image retrieval).
- TG is allowed to load the scanned images into its main Imaging System where they will be available to TG, the Bureau, and any interested third party customer. TG will assess a fair rate to users of the system in order to recoup its expenses.

400235

- TG will provide a CD-Rom of the recorded documents

Phase Two:

- TG connects to the Bureau via a high-speed Wide Area Network (WAN) connection. This connection is used for the following functions:
 1. The Bureau may use TG's Grantor/Grantee database to look up selected details about recorded transactions.

This database contains, at any given time, information from six months previous up until the present.

2. TG can send the daily scanned images directly into its main Imaging System immediately, where they will be available to TG, the Bureau and any interested third-party customers.

Thank you for your time and consideration. We look forward to a successful implementation of this project.

Yours truly,

Michael Pietsch
President

400236

Cynthia Nakaya

From: John Hubbard
To: Cynthia Nakaya; Michael Pietsch
Subject: Printer & Scanner Specifications for Bureau of Conveyances Project
Date: Monday, April 13, 1998 10:46AM

Michael & Cynthia,

The specifications for the scanner and printer that will be on site at the Bureau are:

Scanner:

Bell & Howell 6138 w?ACE Video I/F Scanner	\$12,200.00
Bell & Howell Copyscan II ADF-500	\$2995.00
Kofax Adrenaline 850v I/P Accelerator w/Cable	\$1695.00

Printer:

LexMark Optra S 2450 w/ 10/100 Network card	approx. \$3500.00
---	-------------------

thanks,
john h

400237

Cynthia Nakaya

From: John Hubbard
To: Jerry Opedal; Jon K. Taira; Paul W. Audet; Lenny Fernandes; Glen Y. Ajimine; Cynthia Nakaya; David T. Pietsch, Jr.; Michael Pietsch; Carlos Buhk; Martin G. Barratt
Cc: Artie Dumbrique; Michael Barentos; Debby N. Okata; Gary Hansen
Subject: System-Wide Imaging Architecture for TG
Date: Thursday, April 16, 1998 12:01PM

Imaging Designers and Managers,

Due to the many new Imaging-related projects coming up, I am publishing a "System-Wide Imaging Architecture" for TG. It is attached to this e-mail, in Word format.

As we move ahead with large purchases and large Information Systems designs, it is absolutely critical that we work within the framework of a system-wide design, to avoid introducing system-breaking incompatibilities, and to avoid prohibitive maintenance and upgrade costs. The enclosed architecture document provides a common context for everyone (business users, programmers, vendors) to communicate within.

This architecture--and the assumptions underlying it--has been reviewed and approved by Jerry, Lenny, and SIS (our chosen primary vendor for image scanning).

thanks,
John Hubbard

<<File Attachment: >>

400238

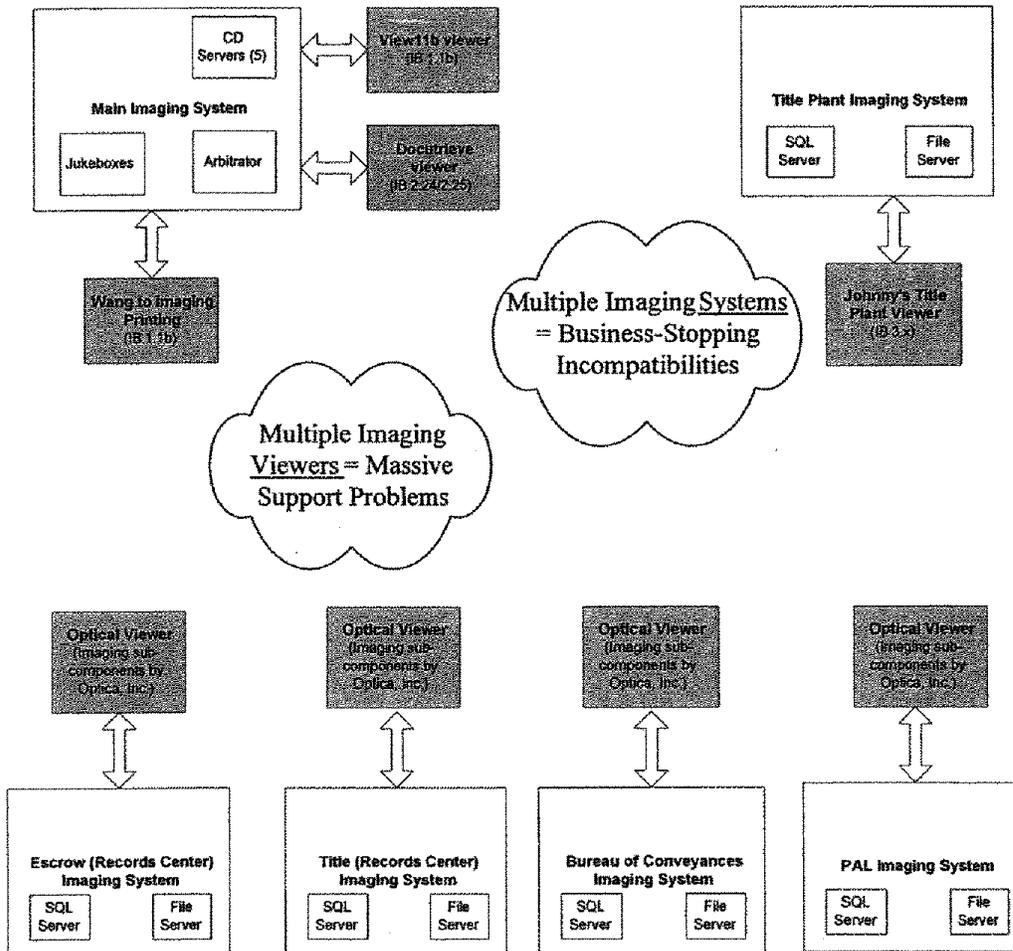
A System-Wide Imaging Architecture for TG: An Integrated Approach to Containing Costs

April 16, 1998

1. Problem: Multiple Imaging Viewers and Imaging Systems

1.1. Will rapidly become too expensive to support

1.2. Will not grow together: incompatible



2. Solutions

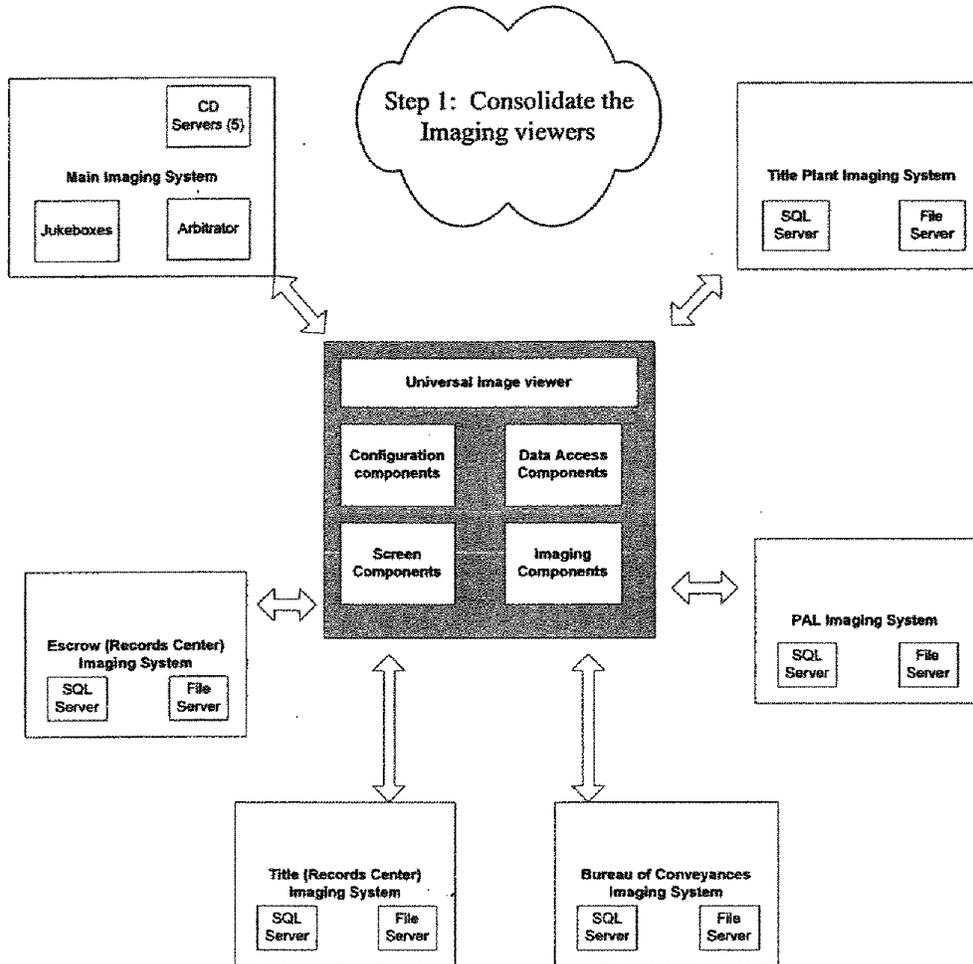
2.1. Consolidate the "front end" (Imaging viewers)

2.2. Consolidate the "back end" (database systems)

2.3. Work within the framework of a system-wide design, to avoid introducing system-breaking incompatibilities

A System-Wide Imaging Architecture for TG: An Integrated Approach to Containing Costs

April 16, 1998



400240

TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET
HONOLULU, HAWAII 96813

Phone No. (808) 533-6261

Fax No. (808) 533-5854

April 17, 1998

Mason Young
Administrator
Bureau of Conveyances
1151 Punchbowl
Honolulu Hawaii 96813

Dear Mr. Young:

As a result of several discussions with both you and Carl Watanabe Title Guaranty of Hawaii ("TG") is pleased to offer this Letter of Intent. This pilot project involves scanning recorded documents and having the images available on line or by CD-ROM. The benefits to the Bureau of Conveyances ("Bureau"), Title Companies and the Public include ready access to the imaged document while the actual document is being processed through indexing and microfilming and implementing another phase in the automation of the Bureau. If accepted, TG will provide certain services and equipment to the Bureau. For this project:

- TG installs and operates a high-speed paper scanning system at the Bureau.
- TG also installs computers and software that allow the scanned images to be retrieved and viewed.
- TG operates this system daily, scanning all recorded documents. The documents are scanned after they have reached a certain point within the Bureau's internal workflow. (*Selection of this point has been informally agreed upon, but its ultimate location remains at the discretion of the Bureau.*)
- The Bureau is allowed to use one or two image viewing stations, to retrieve and view images scanned within the last week or two (how far back it can go is a function of the amount of storage space on the local computers used for image retrieval).
- TG is allowed to load the scanned images into its main Imaging System where they will be available to TG, the Bureau, and any interested third party customer. TG will assess a fair rate to users of the system in order to recoup its expenses.
- TG will provide a CD-Rom of the recorded documents to the Bureau.

400241

This project will be evaluated within six months from commencement by the management of the Bureau and TG.

Thank you for your time and consideration. We look forward to a successful implementation of this project.

Yours truly,

A handwritten signature in black ink, appearing to read "Michael Pietsch", with a stylized flourish extending to the right.

Michael Pietsch
President

cc: Carl Watanabe

400242



BUREAU OF CONVEYANCES
P. O. BOX 2867
HONOLULU, HAWAII 96803

Date: April 21, 1998
To: Cynthia Nakaya - Title Guaranty, 533-5854
Fr: Carl Watanabe
Re: 1998-1999 Senate Budget, LNR 111

Thank you for supporting our efforts to inform the Senate and Representatives of the impact the loss of positions will have in servicing public needs. Your input is necessary to convey the severe impact the loss of positions may have in our ability to satisfy your requirements.

We are providing FAX numbers to members of the Senate Ways and Means and House leadership and a copy of our response to them. As they will be meeting in joint conference to discuss the budget, your immediate contact with them will be appreciated.

Senator Norman Mizuguchi 586-6189
Senate President
Senator Marshall Ige 586-9410
Senator Rosalyn Baker 586-6071
Senator Suzanne Chun Oakland 586-6131
Senator Carol Fukunaga 586-6899
Senator Randy Iwase 586-6829
Senator Cal Kawamoto 586-6879
Senator Andrew Levin 586-6689
Senator Mike McCartney 586-6909
Senator Rod Tam 586-6451
Senator Brian Taniguchi 586-6461

Representative Joe Souki 586-6101
Speaker of the House
Representative Calvin Say 586-6201

400243

LNR 111: CONVEYANCES AND RECORDINGS

The Senate version of the State budget proposes to eliminate seven permanent positions, six temporary positions, and travel expenses for the Bureau of Conveyances. The 13 positions would mean a 20% reduction in their staffing that will have dire consequences on their operations and ability to service the public. The workload in the Bureau is extremely heavy (300,000 documents annually) and labor intensive. A work force reduction of this magnitude will result in a backlog that will severely impact Hawaii's multi billion dollar real estate industry. Title companies, financial institutions, government agencies, attorneys, and the general public are dependent upon the Bureau's timely recordation of all legal documents and maps in effecting land transactions. Since 1993, the Bureau has suffered a loss of 13 permanent positions that has resulted in the recurrence of a backlog. In past years, the Bureau faced a three year backlog. With further reductions in staffing, we can anticipate the backlog to easily escalate, the public to experience delays in recordations, and loss of significant revenues to the general fund. Currently, the Bureau records over 1,000 documents daily and generates over \$1.5 million monthly with an annual operating budget of \$1.6 million. This revenue amounts to over \$17 million annually from recordation fees, conveyance taxes, special mortgage recording fees for the Hawaii Hurricane Relief Fund, fees for certified copies of maps and documents, etc.

The travel budget provides for Hawaii's representation at the annual conference of the County Recorders Association of California. This conference is the only opportunity to discuss national problems and issues affecting the recordation process and its implications for the state; to address mutual concerns and exchange ideas with other county registrars; to expand our knowledge and insight on the latest technology; and to view recordation systems and procedures in other counties. Past attendance at these conferences have contributed to many improvements initiated in the Bureau and current efforts to modernize its operations.

The Bureau plays a key role in efforts to improve Hawaii's business climate and stimulate the economy. The staff also provides a multitude of related services for the public that will have be curtailed or eliminated. These include the certification of records for business transactions and court proceedings, UCC searches for lending institutions, the search of historic records to determine ownership and title, issuing certificates of title, etc. Without the full complement of staffing (52 positions), the Bureau will not be able to service the public and title companies without delays or interruptions and, continue generating revenue that will assist you and the legislature in your economic revitalization efforts.

400244



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
BUREAU OF CONVEYANCES

P. O. BOX 2867
HONOLULU, HAWAII 96803

May 7, 1998

Mr. Michael Pietsch, President
Title Guaranty of Hawaii
235 Queen Street
Honolulu, Hawaii 96813

Dear Mr. Pietsch:

Thank you for your proposal of scanning recorded documents and providing on line access to the images for the Bureau. Approval to proceed with this pilot program was given by Chairman Michael D. Wilson and we look forward to working with you. We would appreciate hearing from you to clarify certain aspects of your proposal to avoid any problems of understanding.

1. Proposed start up date. We understand equipment needs to be ordered to implement this program. Please provide tentative date to begin this project.
2. Time period for scanning. Scanning to take place with as little interruption to daily activities of indexing and microfilming. Suggested time of scanning to begin at 3:30 in the afternoon for the following day's 8:01s and continue after hours until completed. Scanning the remainder of the day's recordings is subject to volume and minimal disruptions. Do you have some ideas? Does it seem feasible to begin scanning earlier to complete the balance to daily recordings before beginning with the following day's 8:01s.
3. Viewing stations. As we discussed, viewing stations on both sides of our office would be necessary to obtain maximum usage of the information.
4. Printing privileges. The stations would allow for printing of the document images. What recovery charges would be applicable if printing is provided for the title companies and general public?
5. CD-ROM. The Bureau will be provided CD-ROMs, at gratis, of the captured documents. Estimates given indicate the hard drive would be capable of storing probably three days of information and then be down loaded to CD-ROMs. Does this mean the Bureau will be provided a CD-ROM every three days?

We're excited about the prospects of this high technology experience and are anxious to show our staff how this can assist with facilitating search and receiving activities at the Bureau. May I suggest that we meet to discuss and resolve the above matters. I may be contacted at 587-0148.

Mahalo,

W. Mason Young
W. Mason Young
Administrator

400245

5/8/98
CNN:
from
Spoke
fyi.

4/22/98
y

next week
• run cables
• 20 amp circuit

Tolau



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
BUREAU OF CONVEYANCES

P. O. BOX 2867
HONOLULU, HAWAII 96803

May 7, 1998

Mr. Michael Pietsch, President
Title Guaranty of Hawaii
235 Queen Street
Honolulu, Hawaii 96813

Dear Mr. Pietsch:

Thank you for your proposal of scanning recorded documents and providing on line access to the images for the Bureau. Approval to proceed with this pilot program was given by Chairman Michael D. Wilson and we look forward to working with you. We would appreciate hearing from you to clarify certain aspects of your proposal to avoid any problems of understanding.

1. Proposed start up date. We understand equipment needs to be ordered to implement this program. Please provide tentative date to begin this project.
2. Time period for scanning. Scanning to take place with as little interruption to daily activities of indexing and microfilming. Suggested time of scanning to begin at 3:30 in the afternoon for the following day's 8:01s and continue after hours until completed. Scanning the remainder of the day's recordings is subject to volume and minimal disruptions. Do you have some ideas? Does it seem feasible to begin scanning earlier to complete the balance to daily recordings before beginning with the following day's 8:01s.
3. Viewing stations. As we discussed, viewing stations on both sides of our office would be necessary to obtain maximum usage of the information.
4. Printing privileges. The stations would allow for printing of the document images. What recovery charges would be applicable if printing is provided for the title companies and general public?
5. CD-ROM. The Bureau will be provided CD-ROMs, at gratis, of the captured documents. Estimates given indicate the hard drive would be capable of storing probably three days of information and then be down loaded to CD-ROMs. Does this mean the Bureau will be provided a CD-ROM every three days?

400246

We're excited about the prospects of this high technology experience and are anxious to show our staff how this can assist with facilitating search and receiving activities at the Bureau. May I suggest that we meet to discuss and resolve the above matters. I may be contacted at 587-0148.

Mahalo,



W. Mason Young
Administrator

400247

per Dennis Jim C... ..

Agenda
May 12, 1998 6th Floor Conference Room
Bureau of Conveyances

1. Hardware and Software

1.2 Software timeline

1.3 Hardware timeline

1.2.4 What was ordered

1.2.5 What is the speed of the scanner - number of pages per minute

1.2.6 What is needed in the area at the Bureau to install scanner, PC, Printer etc.

Scanning System

Universal Imaging

*Scanner this week
double sided scanner*

42 pages a minute

2.7. Workflow

2.8 Schedule

2.9 What can be done by when

2.10 When will the title plant receive the images

3. 11. Staffing

3.12 prep and scan

3.13 back up + *Docutrieve / Title Plant*

Schedule:

8:30 Title Companies delivers documents for pre check

9:30

10:30

11:30

12:30

1:30

2:30

3:30

4:30

5:30

8:02 / general public (current + day)

8:01 pre check

400248

Tues/Wed.

To: Carl Watanabe

From: Cynthia Nakaya

Date: June 4, 1998

Re: Printer and Cabling

Thank you for meeting with Michael Pietsch and I yesterday. In follow up to our meeting, enclosed please find the printer we are using that is highlighted in yellow. As for the cabling, the recommended cable is called category 5 (twisted pair, Teflon) for Ethernet. It comes in a 1,000 feet reel and is available at IC Supply.

As we discussed, six cables allows for some expansion in the receiving section to add another PC. Four cables will work for the current project. The total number of cables to be run is entirely up to you and should depend upon what future plans are envisioned.

Also, based on the current equipment, the 20 amp circuit is sufficient. If there is a possibility to add on additional equipment another circuit will be necessary.

400249

TITLE GUARANTY OF HAWAII

INCORPORATED
235 QUEEN STREET
HONOLULU, HAWAII 96813

Phone No. (808) 533-6261

TITLE SYSTEMS

Fax No. (808) 533-5854

June 26, 1998

Carl Watanabe
Bureau of Conveyances
1151 Punchbowl Street
Honolulu Hawaii 96813

Re: HP 5 SI

Dear Carl:

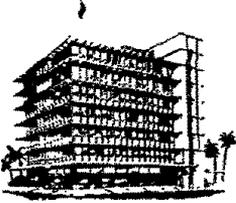
In follow up may this letter serve to confirm our conversation. Title Guaranty of Hawaii has purchased a HP 5SI printer. Initially we had intentions of using this printer to print copies of documents from our Imaging System which are Group 4 TIFF Files in a compressed format. This printer does not have a decompression card, which causes the printing process to be very slow. Thus we rotated the printer out from the production area to print other types of documents in our office. Currently we are using the Lexmark Printer 4250 for our imaging printing needs.

Should you have any questions, please contact the undersign.

Yours truly,

Cynthia Nakaya
Vice President and Senior Title Officer

400250



TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET • P.O. BOX 3084 • HONOLULU, HAWAII 96802 • TELEPHONE 533-6261

July 23, 1998

Mr. W. Mason Young
Administrator
Bureau of Conveyances
1151 Punchbowl Street
Honolulu, Hawaii 96813

Re: Project for Imaging Recorded Documents

Dear Mr. Young:

The purpose of this letter is to respond to the questions raised in your letter of May 7, 1998 and to confirm our agreement.

1. TG has acquired the necessary high speed paper scanning equipment to be installed at the Bureau. We are currently testing the system in our offices. We hope to install the system at the Bureau in mid-August and to use the rest of August for training. We expect to commence operations on or about September 1.
2. We agree that scanning is to take place with as little interruption to daily activities of indexing and microfilming as is reasonably possible. Scanning will begin at approximately 3:30 in the afternoon for documents to be recorded at 8:01 a.m. the following day. For any other documents which have not been scanned, scanning will be done at such times as are mutually convenient to TG's and the Bureau's employees. It is recognized that it may be necessary to continue scanning after normal business hours in order to complete the work. The schedule may need to be modified as we gain experience with the operations.
3. TG will provide two terminals and two processing computers--one for scanning and one for indexing. The terminals will be used to retrieve and view images which

400251



Mr. W. Mason Young
Page 2
July 27, 1998

are stored on the on-site computer. We were contemplating also providing a printer, but we understand that the Bureau may provide its own printer. Please let us know the status on that matter. If the Bureau is to provide the printer, we assume it will be installed with the installation of our equipment. Any equipment supplied by TG will continue to be owned by TG, and TG will operate the system with its employees, at its sole cost. We understand that all necessary cabling and electrical work has already been accomplished.

4. As to printing privileges, we contemplate that TG will be able to print documents for its own use and that the Bureau will charge other title companies and the general public pursuant to its general schedule of charges. We understand those currently are \$.50 per page. Since the revenue will belong to the Bureau, the Bureau will set those charges as it determines to be appropriate.

5. TG will provide the Bureau with a copy of each completed CD-ROM containing the scanned documents at no charge to the Bureau. Depending on the number of documents and the storage capacity of the CD-ROM, it is anticipated that a CD will be delivered every 2-3 days. The hard drive probably will have capacity for approximately seven days of documents based upon current volume estimates. Although the CD-ROM supplied to the Bureau will become the property of the Bureau, in order to enable TG to recover its costs, including amortization of its equipment, the Bureau will not reproduce, copy or sell or otherwise make available to other parties the CD-ROMs or the images in bulk. Images of the scanned documents may be accessed from the CD-ROMs and reproduced in hard copy for sale to members of the public as above indicated, but these will be on an individual document basis and not a bulk transfer of the images.

Also to help TG to recoup its costs, it is requested that during the period that the system is in operation,

400252

Mr. W. Mason Young
Page 3
July 27, 1998

TG be relieved of paying the Bureau its monthly LCATs subscription and the cost of the dailys. TG will continue to pay the postage charges.

TG will do all that it reasonably can to make this project a success. We believe that both the Bureau and the general public will be better served and that valuable experience will be obtained to enable us to continue the project beyond its anticipated trial period and to reach a mutually satisfactory agreement as to a longer relationship.

If the foregoing does not comport with your understanding, please let me know and we will meet to promptly resolve any issues.

Sincerely,

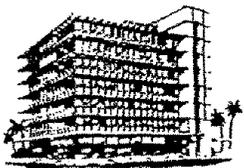


MICHAEL A. PIETSCH
President

cc: Carl Watanabe
bc: John Jubinsky
Lorrin Hirano

Denise, Jr.
Jim P.
Cija Nakaya

400253



TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET • P.O. BOX 3084 • HONOLULU, HAWAII 96802 • TELEPHONE 533-6261

July 23, 1998

Mr. W. Mason Young
Administrator
Bureau of Conveyances
1151 Punchbowl Street
Honolulu, Hawaii 96813

Re: Project for Imaging Recorded Documents

Dear Mr. Young:

The purpose of this letter is to respond to the questions raised in your letter of May 7, 1998 and to confirm our agreement.

1. TG has acquired the necessary high speed paper scanning equipment to be installed at the Bureau. We are currently testing the system in our offices. We hope to install the system at the Bureau in mid-August and to use the rest of August for training. We expect to commence operations on or about September 1.
2. We agree that scanning is to take place with as little interruption to daily activities of indexing and microfilming as is reasonably possible. Scanning will begin at approximately 3:30 in the afternoon for documents to be recorded at 8:01 a.m. the following day. For any other documents which have not been scanned, scanning will be done at such times as are mutually convenient to TG's and the Bureau's employees. It is recognized that it may be necessary to continue scanning after normal business hours in order to complete the work. The schedule may need to be modified as we gain experience with the operations.
3. TG will provide two terminals and two processing computers--one for scanning and one for indexing. The terminals will be used to retrieve and view images which

400254



Mr. W. Mason Young
Page 2
July 27, 1998

are stored on the on-site computer. We were contemplating also providing a printer, but we understand that the Bureau may provide its own printer. Please let us know the status on that matter. If the Bureau is to provide the printer, we assume it will be installed with the installation of our equipment. Any equipment supplied by TG will continue to be owned by TG, and TG will operate the system with its employees, at its sole cost. We understand that all necessary cabling and electrical work has already been accomplished.

*don't
think we
all print
BOS*

③ 4. As to printing privileges, we contemplate that TG will be able to print documents for its own use and that the Bureau will charge other title companies and the general public pursuant to its general schedule of charges. We understand those currently are \$.50 per page. Since the revenue will belong to the Bureau, the Bureau will set those charges as it determines to be appropriate.

① 5. TG will provide the Bureau with a copy of each completed CD-ROM containing the scanned documents at no charge to the Bureau. Depending on the number of documents and the storage capacity of the CD-ROM, it is anticipated that a CD will be delivered every 2-3 days. The hard drive probably will have capacity for approximately seven days of documents based upon current volume estimates. Although the CD-ROM supplied to the Bureau will become the property of the Bureau, in order to enable TG to recover its costs, including amortization of its equipment, the Bureau will not reproduce, copy or sell or otherwise make available to other parties the CD-ROMs or the images in bulk. Images of the scanned documents may be accessed from the CD-ROMs and reproduced in hard copy for sale to members of the public as above indicated, but these will be on an individual document basis and not a bulk transfer of the images.

efine

② Also to help TG to recoup its costs, it is requested that during the period that the system is in operation,

400255

Mr. W. Mason Young
Page 3
July 27, 1998

③ TG be relieved of paying the Bureau its monthly LCATs subscription and the cost of the dailys. TG will continue to pay the postage charges.

TG will do all that it reasonably can to make this project a success. We believe that both the Bureau and the general public will be better served and that valuable experience will be obtained to enable us to continue the project beyond its anticipated trial period and to reach a mutually satisfactory agreement as to a longer relationship.

④

If the foregoing does not comport with your understanding, please let me know and we will meet to promptly resolve any issues.

Sincerely,

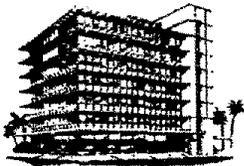


MICHAEL A. PIETSCH
President

cc: Carl Watanabe
bc: John Jubinsky
Lorrin Hirano

Denise, Jr.
Jim P.
Carl Watanabe

400256



TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET • P.O. BOX 3084 • HONOLULU, HAWAII 96802 • TELEPHONE 533-6261

October 30, 1998

W. Mason Young
Administrator
Bureau of Conveyances
1151 Punchbowl Street
Honolulu, Hawaii 96813

Re: Letter Agreement/Imaging Project
Revision No. 1

Dear Mr. Young:

1. Title Guaranty of Hawaii, Inc. has acquired the necessary high-speed paper scanning equipment to be installed at the Bureau of Conveyances. We have simulated testing of thousands of pages of recorded documents in our office in preparation of imaging implementation at the Bureau. We anticipate commencing operations on approximately November 9, 1998.
2. We agree that scanning is to commence with minimal interruption to daily activities of indexing and microfilming as is reasonably possible. Scanning will begin at approximately 3:30 in the afternoon for documents to record at 8:01 a.m. the next day. For any other documents, which have not been scanned, scanning will be performed at such times that are mutually convenient to Title Guaranty and Bureau employees. It is recognized that it may be necessary to continue scanning after normal business hours in order to complete the work. The schedule may need to be modified as we become more experienced with the scanning operations.
3. TG will provide two (2) viewing terminals and two (2) processing computers (one for scanning and one for indexing). The terminals will be used to retrieve and view images, which are stored in the on-site computer. We will provide a temporary printer with the understanding that the Bureau will provide its own printer after adequate testing; we assume the printer will be installed concurrent with the installation of our equipment. Any equipment supplied by TG will continue to be owned by TG and TG will operate the system with TG employees at the sole cost of Title Guaranty of Hawaii, Inc. We understand that all necessary cabling and electrical work has already been accomplished.
4. With regard to printing privileges, we contemplate that TG will be able to print documents for its own use and that the Bureau will charge other title companies and the general public according to its general scheduled rates (currently .50 per page). Since this revenue will belong to the Bureau, the Bureau will set those charges as it determines appropriate.

400257



October 30, 1998
W. Mason Young
Letter Agreement/Imaging Project
Revision No. 1
Page -2-

5. TG will provide the Bureau with a copy of each completed CD-ROM containing the scanned documents at no charge to the Bureau. Depending on the number of documents and the storage capacity of the CD-ROM, it is anticipated that a CD will be delivered every three (3) to five (5) days. The hard drive will have capacity for approximately ten (10) days of documents based upon current volume estimates. Although the CD-ROM supplied to the Bureau will become the property of the Bureau, in order to enable TG to recover its costs, including amortization of its equipment, the Bureau will not reproduce, copy/sell or otherwise make available to other parties, the CD-ROMS. Images of the scanned documents may be accessed from the CD-ROM and reproduced to a paper copy for sale to the public. However, these documents will be on an individual document basis (not a bulk transfer of the images).
6. To enable Title Guaranty of Hawaii, Inc. to recoup its expenses, it is agreed that during the period the system is operational TG will be required to remit to the Bureau half (50%) of TG's monthly LCATS Subscription and the cost of the magnetic tape for the Daily Entry (Grantor/Grantee Index). TG will continue to pay the postage charges.
7. Title Guaranty will endeavor to perform all reasonable tasks to ensure that this project is successful. Significant project dates are as follows:
 - a) Equipment will be delivered prior to November 1, 1998
 - b) Full scanning will begin approximately November 9, 1998
 - c) Scanning completion is scheduled for January 30, 1999 with an option to extend.
 - d) Both Title Guaranty and the Bureau of Conveyances may agree to terminate this agreement prior to January 30, 1999.

Title Guaranty foresees that both the Bureau and the Public will be better served by the implementation of this scanning project and we look forward to continuing the project beyond the initial trial period.

Please call me if you have any questions (521-0259); I look forward to beginning this project and finalizing any remaining details.

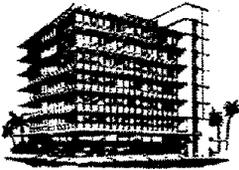
Sincerely yours,



Michael A. Pietsch
President

MAP:ym

400258



TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET • P.O. BOX 3084 • HONOLULU, HAWAII 96802 • TELEPHONE 533-6261

October 30, 1998

W. Mason Young
Administrator
Bureau of Conveyances
1151 Punchbowl Street
Honolulu, Hawaii 96813

Re: Letter Agreement/Imaging Project
Revision No. 1

Dear Mr. Young:

1. Title Guaranty of Hawaii, Inc. has acquired the necessary high-speed paper scanning equipment to be installed at the Bureau of Conveyances. We have simulated testing of thousands of pages of recorded documents in our office in preparation of imaging implementation at the Bureau. We anticipate commencing operations on approximately November 9, 1998.
2. We agree that scanning is to commence with minimal interruption to daily activities of indexing and microfilming as is reasonably possible. Scanning will begin at approximately 3:30 in the afternoon for documents to record at 8:01 a.m. the next day. For any other documents, which have not been scanned, scanning will be performed at such times that are mutually convenient to Title Guaranty and Bureau employees. It is recognized that it may be necessary to continue scanning after normal business hours in order to complete the work. The schedule may need to be modified as we become more experienced with the scanning operations.
3. TG will provide two (2) viewing terminals and two (2) processing computers (one for scanning and one for indexing). The terminals will be used to retrieve and view images, which are stored in the on-site computer. We will provide a temporary printer with the understanding that the Bureau will provide its own printer after adequate testing; we assume the printer will be installed concurrent with the installation of our equipment. Any equipment supplied by TG will continue to be owned by TG and TG will operate the system with TG employees at the sole cost of Title Guaranty of Hawaii, Inc. We understand that all necessary cabling and electrical work has already been accomplished.
4. With regard to printing privileges, we contemplate that TG will be able to print documents for its own use and that the Bureau will charge other title companies and the general public according to its general scheduled rates (currently .50 per page). Since this revenue will belong to the Bureau, the Bureau will set those charges as it determines appropriate.

400259

cc: Carol Robinson





TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET • P.O. BOX 3084 • HONOLULU, HAWAII 96802 • TELEPHONE 533-8261

October 30, 1998

W. Mason Young
Administrator
Bureau of Conveyances
1151 Punchbowl Street
Honolulu, Hawaii 96813

Re: Letter Agreement/Imaging Project

Dear Mr. Young:

1. Title Guaranty of Hawaii, Inc. has acquired the necessary high-speed paper scanning equipment to be installed at the Bureau of Conveyances. We have simulated testing of thousands of pages of recorded documents in our office in preparation of imaging implementation at the Bureau. We anticipate commencing operations on approximately November 9, 1998.
2. We agree that scanning is to commence with minimal interruption to daily activities of indexing and microfilming as is reasonably possible. Scanning will begin at approximately 3:30 in the afternoon for documents to record at 8:01 a.m. the next day. For any other documents, which have not been scanned, scanning will be performed at such times that are mutually convenient to Title Guaranty and Bureau employees. It is recognized that it may be necessary to continue scanning after normal business hours in order to complete the work. The schedule may need to be modified as we become more experienced with the scanning operations.
3. TG will provide two (2) viewing terminals and two (2) processing computers (one for scanning and one for indexing). The terminals will be used to retrieve and view images, which are stored in the on-site computer. We will provide a temporary printer with the understanding that the Bureau will provide its own printer after adequate testing; we assume the printer will be installed concurrent with the installation of our equipment. Any equipment supplied by TG will continue to be owned by TG and TG will operate the system with TG employees at the sole cost of Title Guaranty of Hawaii, Inc. We understand that all necessary cabling and electrical work has already been accomplished.
4. With regard to printing privileges, we contemplate that TG will be able to print documents for its own use and that the Bureau will charge other title companies and the general public according to its general scheduled rates (currently .50 per page). Since this revenue will belong to the Bureau, the Bureau will set those charges as it determines appropriate.

400260



cc: Cyn Nakaya

October 30, 1998
W. Mason Young
Page -2-

5. TG will provide the Bureau with a copy of each completed CD-ROM containing the scanned documents at no charge to the Bureau. Depending on the number of documents and the storage capacity of the CD-ROM, it is anticipated that a CD will be delivered every three (3) to five (5) days. The hard drive will have capacity for approximately ten (10) days of documents based upon current volume estimates. Although the CD-ROM supplied to the Bureau will become the property of the Bureau, in order to enable TG to recover its costs, including amortization of its equipment, the Bureau will not reproduce, copy/sell or otherwise make available to other parties, the CD-ROMS. Images of the scanned documents may be accessed from the CD-ROM and reproduced to a paper copy for sale to the public. However, these documents will be on an individual document basis (not a bulk transfer of the images).
6. To enable Title Guaranty of Hawaii, Inc. to recoup its expenses, it is agreed that during the period the system is operational, TG will not be required to pay the Bureau either a portion or all (to be determined) of TG's monthly LCATS Subscription and the cost of the magnetic tape for the Daily Entry (Grantor/Grantee Index). TG will continue to pay the postage charges.
7. Title Guaranty will endeavor to perform all reasonable tasks to ensure that this project is successful. Significant project dates are as follows:
 - a) Equipment will be delivered prior to November 1, 1998
 - b) Full scanning will begin approximately November 9, 1998
 - c) Scanning completion is scheduled for January 30, 1999 with an option to extend.
 - d) Both Title Guaranty and the Bureau of Conveyances may agree to terminate this agreement prior to January 30, 1999.

Title Guaranty foresees that both the Bureau and the Public will be better served by the implementation of this scanning project and we look forward to continuing the project beyond the initial trial period.

Please call me if you have any questions (521-0259); I look forward to beginning this project and finalizing any remaining details.

Sincerely yours,



Michael A. Pietsch
President

MAP:ym

400261

October 26, 1998

Mr. W. Mason Young
Administrator
Bureau of Conveyances
1151 Punchbowl Street
Honolulu, Hawaii 96813

Re: Project for Imaging Recorded Documents

Dear Mr. Young:

The purpose of this letter is to confirm our agreement.

1. TG has acquired the necessary high ^{speed} speed paper scanning equipment to be installed at the Bureau. We have simulated testing of thousands of pages of recorded document^s in our office in preparation of implementation in the Bureau. We expect to commence operations on or about November 9, 1998.
2. We agree that scanning is to take place with as little interruption to daily activities of indexing and microfilming as is reasonably possible. Scanning will begin at approximately 3:30 in the afternoon for documents to be recorded at 8:01 a.m. the following day. For any other documents which have not been scanned, scanning will be done at such times as are mutually convenient to TG's and the Bureau's employees. It is recognized that it may be necessary to continue scanning after normal business hours in order to complete the work. The schedule may need to be modified as we gain experience with the operations.
3. TG will provide two terminals ^{for viewing} and two processing computers-one for scanning and one for indexing. The terminals will be used to retrieve and view images

400262

which are stored on the on-site computer. We will provide a printer with the understanding the Bureau may provide its own printer. We assume ^{the printer} it will be installed with the installation of our equipment. Any equipment supplied by TG will continue to be owned by TG, and TG will operate the system with its employees, at its sole cost. We understand that all necessary cabling and electrical work has already been accomplished.

4. As to printing privileges, we contemplate that TG will be able to print documents for its own use and that the Bureau will charge other title companies and the general public pursuant to its general schedule of charges. We understand those charges are currently \$.50 per page. Since the revenue will belong to the Bureau, the Bureau will set those charges as it determines to be appropriate.

5. TG will provide the Bureau with a copy of each completed CD-ROM, containing the scanned documents at no charge to the Bureau. Depending on the number of documents and the storage capacity of the CD-ROM, it is anticipated that a CD will be delivered every 2-3 days. The hard drive will have capacity for approximately ten days of documents based upon current volumes estimates. Although the CD-ROM supplied to the Bureau will become the property of the Bureau, in order to enable TG to recover its costs, including amortization of its equipment, the Bureau will not reproduce, copy or sell or otherwise make available to other parties, the CD-ROMS . Images of the scanned documents may be accessed from the CD-ROM and reproduced to a paper copy for sale to members of the public. However, these documents will be on an individual document basis and not a bulk transfer of the images.

400263

Also, to help TG to recoup its cost, it is agreed that during the ^{period} person that the system is in operation, TG will be relieve of paying the Bureau a portion or all of its monthly LCATS subscription and the cost of the magnetic tape for the Daily Entry (Grantor/Grantee Index). TG will continue to pay the postage charges.

TG will do all that is reasonably can to make this project a success. We agree to deliver the equipment prior to November 1, 1998. Full scanning to begin on or about November 9th and end the scanning January 30, 1999 with an option to extend. Both the Bureau and TG may terminate this agree prior to January 30, 1999. We believe that both the Bureau and the general public will be better served and that valuable experience will be obtained to enable TG to continue the project beyond its anticipated trial period and to reach a mutually satisfactory agreement as to a longer relationship.

If the foregoing does not meet with your understanding, please let me know and  we will discuss the issues.

Sincerely,

Michael Pietsch
President

cc: Carl Watanabe
John Jubinsky
Lorrin Hirano

400264

Agenda
November 13, 1998
Title Companies

1. Introduction
2. Purpose of meeting
 - a. Informational – apprise the title companies of the scanning project
 - b. Invitation
3. Benefits to the Title Companies
 - a. immediate access to Recorded Documents available at the Bureau
 - b. Bureau to expedite recordation of Documents
 - c. allows change in you company's internal workflow
4. Scanning Project Scope
 - a. Project agreement for first quarter
 - b. Workflow
5. Cost
6. Invitation to Demonstration
 - a. Presidents – Thursday 19th 9 o'clock
 - b. Operation Managers - Friday 20th 1:30
7. Questions

400265

**Bureau of Conveyances
Document Scanning Project**

The following is a summary of costs incurred and estimated costs to be incurred for the document scanning project:

Start-up costs

		SIS	PC	Bell & Howell
Hardware and Software	63,235	20,933	20,509	21793
Design and Programming	7,875	JH, CN, other IS	175	\$45
Testing and Implementation	3,600	CN & CB	80	\$45
	<u>74,710</u>			
Monthly cost - amortization over 3 years	<u>2,075</u>			

Estimated Monthly Costs

Amortization of start-up cost	2,075	
Personnel cost for document scanning	5,250	1-1/2 staff @ \$20
Technical support	1,440	32 hours per month @ \$45 (one day per week)
Equipment maintenance	255	1,375 Annual, Bell & Howell 1,685 Annual, SIS
Create CD-ROM (10 copies each week)	1,120	Weekly - 8 hrs @ \$35
	<u>10,140</u>	
TG Management Fee (20%)	2,028	
TOTAL ESTIMATED MONTHLY COST	<u><u>12,168</u></u>	

400266

Note: If ten companies share in the cost, the estimated monthly cost per company would be \$1,216.80

Bureau of Conveyances
Document Scanning Project

Share financial info
understanding of our
startup cost & estimated
operating cost

The following is a summary of costs incurred and estimated costs to be incurred for the document scanning project:

Start-up costs

Hardware and Software	63,235
Design and Programming	7,875
Testing and Implementation	3,600
	<u>74,710</u>
Monthly cost - amortization over 3 years	<u>2,075</u>

Estimated Monthly Costs

Amortization of start-up cost	2,075
Personnel cost for document scanning	5,250
Technical support	1,440
Equipment maintenance	255
Create CD-ROM (10 copies each week)	1,120
	<u>10,140</u>
TG Management Fee (20%)	2,028
TOTAL ESTIMATED MONTHLY COST	<u><u>12,168</u></u>

400267

Note: If ten companies share in the cost, the estimated monthly cost per company would be \$1,200.

Title Guaranty
BOC Fees

Letter of Agreement
Effective December 1, 1998

1. 50% discount on LCAT subscription (discount varies)
2. Offset fee for the Daily Entry tape (discount \$200/month)

Note that the monthly fee for the Daily Entry tape is paid by TG to the HLTA.
The HLTA forwards TG's payment to the BOC.

Month	Invoice Date	Paid as of 6/99	Invoice Amount	Discount
Dec-98	1/29/99	Paid \$498.00	\$ 498.00	(a) \$ 249.00
Dec-98	1/29/99	Paid \$100.00	\$ 100.00	(a) \$ 50.00
Dec-98	Daily tape	Paid \$200.00	\$ 200.00	(a) \$ 200.00
Jan-99	3/18/99		\$ 421.00	\$ 210.50
Jan-99	3/18/99		\$ 100.00	\$ 50.00
Jan-99	Daily tape	Paid \$200.00	\$ 200.00	(a) \$ 200.00
Feb-99	4/8/99		\$ 534.75	\$ 267.38
Feb-99	4/8/99		\$ 100.00	\$ 50.00
Feb-99	Daily tape	Paid \$200.00	\$ 200.00	(a) \$ 200.00
Mar-99	6/14/99		\$ 455.00	\$ 227.50
Mar-99	6/14/99		\$ 100.00	\$ 50.00
Mar-99	Daily tape	Paid \$200.00	\$ 200.00	(a) \$ 200.00
Apr-99	6/14/99		\$ 513.50	\$ 256.75
Apr-99	6/14/99		\$ 100.00	\$ 50.00
Apr-99	Daily tape	Paid \$200.00	\$ 200.00	(a) \$ 200.00
			<u>\$ 3,922.25</u>	<u>\$ 2,461.13</u>

RECAP

Gross billings 12/98 to 4/99	\$ 3,922.25
Less Discount	\$ (2,461.13)
Paid by TG through 6/28/99	\$ (1,598.00) (a)
Due from BOC (C/S credit balance)	<u>\$ (136.88)</u>

400268

Bureau of Conveyances

10-22-98

Carl
Mason
Mike
Cyr

3:30 - fill in the Blanks for 8:01
• some recordability issues

bring printer

load view ex

Jan. 1999 with option to extend or terminate

Rewrite agmt.

- Procurement -

unuse / images

date to start

400269

Monday

8:03 - Gen Public

8:30 - Pre checkin (801)
 for food

12:00 - Reg T/#

3:30 - L/C T/#

- Registers close
 for day

- Bring up 801

4:30

Index dining records

801 → 3:30

GLMM

Tuesday

7:30 (Index (Bath))
 801's

↓ 801's

4:30 ↓

802 - Apr Public

8:30 Pre checkin (801)
 for meals

12:00 - Reg T/# 801

3:30 - L/C T/#

- Registers close

- Bring up 801

Midnight shut program day's
 activity

11:30
12:00
12:30
13:00
13:30
14:00
14:30
15:00
15:30
16:00
16:30
17:00
17:30
18:00
18:30
19:00
19:30
20:00
20:30
21:00
21:30
22:00
22:30
23:00
23:30
24:00

(8015) T/#
Floor, Req
grip, etc
8015

Tommy
✓ Review

8:30am
Door

Door

8:03
8015

✓ Review
Today

T/#

400271

2:30 first scan

Dear Bureau of Conveyances,

As a result of several discussions with some of your technical and computer imaging experts, Title Guaranty of Hawaii would like to present a proposal which has the potential to benefit the Bureau, the general public, and of course Title Guaranty as well.

What we
can offer
the
Bureau

Title Guaranty maintains a CDROM-based imaging system with fast, computer-based access to documents dating back to 1986. Documents created before this date are also accessible, with a moderate delay. The imaging system is fast and functional; Title Guaranty has identified it as a significant competitive advantage, one which will become increasingly important as we move into the age of rapid, automated information exchange.

Title Guaranty will provide the Bureau with one or two computer terminals, a fast network connection, and three months of "trial" access to this highly useful system, in return for the Bureau's consideration of the following proposal:

Currently, Title Guaranty receives information from the Bureau in two formats: magnetic tape, and microfilm rolls of images. The microfilm is necessarily delayed a few days, due to the time required to produce the film. This delay could be eliminated—and a dramatic improvement made to Title Guaranty's level of customer service—if the images could be transmitted electronically to Title Guaranty.

What
we
request
of the
Bureau

The Bureau is considering the acquisition of a piece of equipment which would allow the production of both microfilm and digital images. Title Guaranty would like the non-exclusive privilege of connecting, via computer network, to the output of this machine. Title Guaranty would take care of setting up the network.

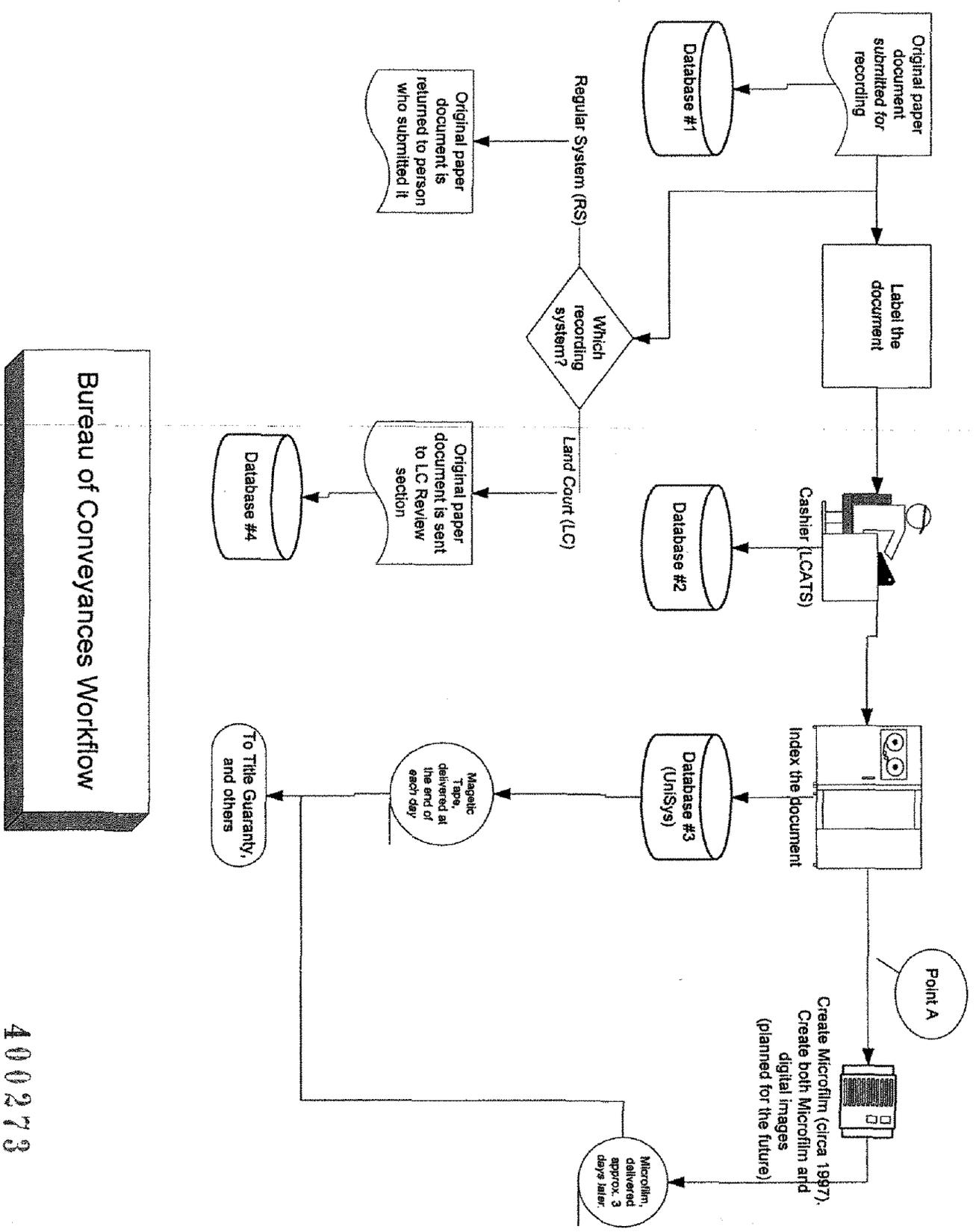
This proposal is an exploratory one, with the details to be worked out in future meetings. Title Guaranty would like to see if, on the conceptual level, this type of arrangement would be of interest.

Thank you for your time and consideration.

Sincerely,

Michael A. Pietsch

400272



Bureau of Conveyances Workflow

400273

DETERMINING BOC REQUIREMENTS FOR RFP

Scanning

Should neighbor islands have access to scanned documents?

- Who will the users be on the neighbor islands?
- What is the volume of documents involved?
- Is it cost effective? (Interactive online--\$1,000 to \$2,000/mo.)
- Will all users be charged a fee to be online?
- How will certified copies be handled?
- Is it important for users to have online access to documents?
- Do they need to see the signatures, etc.?
- Can info on documents be altered by user?

What if scanned documents were available only to BOC staff?

Will there be a backup system? What happens if the system goes down?

CD-ROM

Documents could be scanned onto CD and delivered to a neighbor island site on a regular basis, e.g. weekly.

Would info on CD be sufficient access for neighbor islands?

- Would BOC provide the PC and printers at each location? (est. cost \$10,000 per)
- If so, the printer would have to be coin operated?

Text

Documents can still be scanned and staff then edits text info for public access. Info can be transmitted faster and it would be less costly. Users could access via modem (similar to LCATS).

How much edited info will we provide?

Should it be only indexed info?

Would public have free access or will there be fee-based subscribers?

Internet

Do we want any info put on the internet?

Do any other counties or states put recorded info on the internet?

NOTE: Documents will still have to be microfilmed for archival purposes.

400274

400275

**Bureau of Conveyances
Document Scanning Project**

199-1 ISM

The following is a summary of costs incurred and estimated costs to be incurred for the document scanning project:

Start-up costs	
Hardware and Software	63,235
Design and Programming	7,875
Testing and Implementation	3,600
	<u>74,710</u>
Monthly cost - amortization over 3 years	<u>2,075</u>
Estimated Monthly Costs	
Amortization of start-up cost	2,075
Personnel cost for document scanning	5,250
Technical support	1,440
Equipment maintenance	255
Create CD-ROM (10 copies each week)	1,120
	<u>10,140</u>
TG Management Fee (20%)	2,028
TOTAL ESTIMATED MONTHLY COST	<u><u>12,168</u></u>

	SIS	PC	Bell & Howell
	20,933	20,509	21793
JH, CN, other IS	175		\$45
CN & CB	80		\$45
1-1/2 staff @ \$20			
32 hours per month @ \$45 (one day per week)			
1,375 Annual, Bell & Howell			
1,685 Annual, SIS			
Weekly - 8 hrs @ \$35			

400276

Note: If ten companies share in the cost, the estimated monthly cost per company would be \$1,200.

Bureau of Conveyances
Document Scanning Project

The follow is a summary of costs incurred and estimated costs to be incurred for the document scanning project.

Start Up Cost:

Hardware and Software	\$	63,235
Design and Programming	\$	7,875
Testing and Implementation	\$	3,600
Total	\$	74,710
Monthly Cost - Amortization over 3 years	\$	2,075

Estimated Monthly Cost

Amortization of start up cost	\$	2,075
Technical support	\$	1,440
Equipment maintenance	\$	515
Personnel cost for document scanning (3 Staff at \$15)	\$	7,800
<hr/>		
Monthly Parking and Telephone	\$	100
Total	\$	11,930
Management Fee (20%)	\$	2,386
Total Estimated Monthly Cost	\$	14,316
Create CD-Rom (10 copies) per month	\$	1,120

400279

1 Reports in flow Title Operations

2 organize meeting - Matt, Will, Renee

Lois - Rec fee

Clard.

1. frame Title Association

share cost with Assn.

43¢ (image)
15 days

out HBR

2. Cost per image
1200 - 1400

3. CD

online

24 frame page \$1500.

4. Cant resell in bulk -
one title co to others.

flower -

continue scanning
to complete day

400280

FALCO
FIHI
Fidelity
TG
Sec
ITC
OR
Bureau
First Financial

94,500

.03 2835
.025 23625

**Bureau of Conveyances
State of Hawaii**

I. INTRODUCTION

A. History

The Bureau of Conveyances has long been the central location for any and all legal transactions concerning real property that are to become public record. This responsibility has led to many advances in the way that documents are received from the public, put on record and eventually returned or otherwise made available both to the person or entity filing the documents and the public at large. Technology has, however, been a sometimes difficult partner. Processes that were at one time simple and straightforward have become cumbersome and error-prone. Important factors that have contributed to the growing difficulty and potential confusion include a dramatic increase in land transactions, new laws that require or allow more different types of documents to be filed, and finally the ever-aggressive technological advances made world-wide.

B. Present Situation

Possibly not since the Great Mahele of 1848 has the need for a highly organized and accessible collection of information been so great. With the growing need for an established system of data collection and storage has come an even greater public thirst for the dissemination of that information. We are fully submersed in the "information age" and are now bound by our role as public servants to use available advances in technology in ways that heretofore have not been possible or even thinkable.

C. Proposal

Using the latest advancements in imaging technology to collect, record and make accessible documented information that falls under the responsibility of the Bureau of Conveyances, including indices and maps pertaining to the same. The Bureau must also collect the conveyance tax and any other fee assessed by the State of Hawaii. While stated simply, these operations are made complex by the extremely small margin for error. Using computers and their associated electronic devices to lessen the chance for error will allow greater flexibility in the time and personnel required to do the job efficiently.

II. NEEDS

A. Regular System

Documents received in the "Regular System" for recording include deeds, leases, assignments, mortgages, releases, notices, affidavits, UCC, contracts, agreements, Federal and State tax liens, military discharge papers and subdivision and condominium maps.

Since documents received in the Regular System are checked only for recordability, the "turnaround" time is short due to a relatively simple process. That process has four major parts: receiving, making a

400282

permanent record, indexing and returning the documents to the filer or designated recipient.

Receiving can further be broken down into several stages:

- a. First the document is presented to the receiving clerks, who check the document for recordability, and either accept or reject the document.
- b. The clerk then assigns a sequential number to the document while the cashier collects the required fees.
- c. The date and time of recording and the document number are then noted on the original document by means of an adhesive label.
- d. The document is then microfilmed for permanent public record.
- e. Then it is indexed by abstractors and their assistants.
- f. Will-call clerks handle the returning of the documents.

The Bureau of Conveyances needs a system of receiving, sorting, storing, and disseminating information.

In the past and present, that information is usually received in "hard copy" format—that is, it is printed on paper. This creates a number of physical problems and inefficiencies. Just like money has started to become nothing but a stream of numbers flowing from one institution to another, so too will most other types of information. It would be to the advantage of the Bureau of Conveyances to have the media of transferring information be electronic.

In order to achieve that goal, there appear to be several steps to take.

1. Depending on the system hardware and software, there will probably need to be a standard form, or at the very least, standard information given in a predetermined format.
2. There needs to be an interconnection, probably in the form of a Local Area Network (LAN) that links the office staff to one another and a central database, or server.
3. There needs to be one operating system, determined by the LAN and server configuration.
4. There will of course need to be some similar hardware—personal computers or workstations—throughout the office.
5. There will undoubtedly be a need for training on the new system.
6. There will need to be redundancy in the entire system—similar to that currently in banking institutions.
7. Very importantly, there needs to be way to get received and stored information out of the office and into the hands of the general public and industry.
8. There needs to be some accountability on the part of the industry

400283

in creating a linked system—one where information is not compromised, but distributed in an efficient, cost effective, and fair manner.

9. This information we have is valuable. There must be a way to receive compensation for providing that information.
10. There must also be a way to compensate compliance and cooperation within the industry and with the general public.
11. There needs to be safeguards—firewalls—within the system to protect against the potential loss or damage of irreplaceable damage.
12. There needs to be a way to analyze data received and stored.
13. There needs to be a way to put existing information and records into the new system to provide for the same accessibility.
14. There needs to be ways to accomodate both old and new technology, since not everyone will be on the same technological playing field.
15. There needs to be a guarantee that the system will work.
16. There needs to be a back-up plan for times when the system does not work.
17. There needs to be alternative methods to input, sort, store and disseminate data.
18. There needs to be security for individuals providing information.

B. Land Court System

The Land Court system offers its own set of challenges. Everything that happens in the Regular System happens in Land Court, but several additional steps have been invented for the enjoyment of all those involved with the Land Court System of recording.

1. After the documents are received, filmed and indexed, Land Court documents go through a "checking" process whereby the State of Hawaii can guarantee the accuracy and validity of those transactions concerning property that has been registered with the Land Court.
2. Registered land is verified by the existence of a Certificate of Title, on which are noted the Fee Simple owner, legal information related to the title of the property, including the description of the property, and any encumbrances on the property. This is currently both a physical and electronic entity stored in the vault of the Bureau's office space.
3. Any document that can be considered an encumbrance is examined for accuracy and entered on the correct Certificate by an Abstracting Assistant.
4. An Assistant Registrar, sworn in before the Land Court Judiciary, then verifies and initials the encumbrance entry. The document is then ready to be returned.
5. Any document that affects the transfer of property must be

thoroughly examined to determine if the transferor in fact has interest to transfer, if the description of the property is correct and other important information contained in the document against the existing Certificate of Title.

6. A new Certificate of Title is then prepared by a Certificate Writer, which is then checked by an Assistant Registrar, who again verifies and initials the creation of a new Certificate, thus completing the transfer of the property.

- C. External (General Public)
- D. External (Private Industry)

III. SOLUTIONS

A. Technological Advances

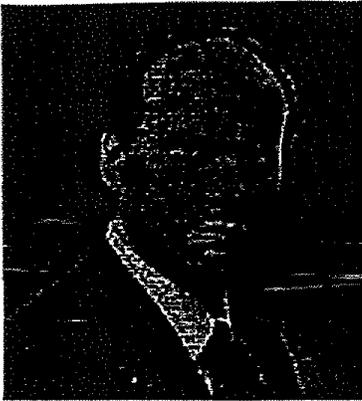
Electronic imaging would drastically change the recording process. In one conceivable scenario, any given document would be presented to the receiving clerk, who would feed the document into the imaging device. This system would then scan the document, and with the help of object and character recognition capability, check for recordability, accept or reject the document, calculate the fees, assign and affix the document number along with the date and time of recording, save the image as a permanent record, and automatically index the information contained in the document in any number of ways. Thus, once the image is scanned into the system, the document can be immediately returned to the presenter, eliminating about 90% of the work.

- B. Economical Bi-products
- C. Changing Industry

IV. CONCLUSION

- A. Summary
- B. Closing Remarks
- C. Now what...

Computerized Document Imaging Systems. Technology and Applications



by Nathan J. Muller

Introduction

Corporate America's huge investment in personal computers has done little to ameliorate white-collar productivity, except to generate more paper. Yet there is still hope for improvement. Because of advances in technology and the consequent lower cost inherent in mass production, more companies are willing to consider computerized document imaging systems for improving business processes and workflow dynamics.

Companies of many types and sizes are reaping efficiency improvements and productivity increases through implementations of document imaging systems that simplify and reduce access time and enhance document integrity. Users can retrieve documents much faster from electronic systems than is possible with traditional, paper-based methods. Also, access to a document can be effected by a variety of methods using content-based retrieval methods. Using document imaging systems can minimize paper use and ultimately reduce the amount of space required for storage.

Contributing to the growing popularity of document imaging systems are decreased hardware costs and the standardization of interfaces between major components. This has resulted in a move away from proprietary hardware and toward general-purpose hardware in combination with imaging software. Standards enable users to run image applications on non-dedicated systems and across different hosts and networks. Application programming interfaces and other development tools permit existing programs to be image-enabled.

Some vendors have introduced imaging systems that allow users to build applications running on mainframes, microcomputers, and local-area networks. Other vendors offer script- and object-oriented languages that facilitate the building of workflow applications that work under MS-DOS and MS-Windows.

Benefits of Imaging

Modern imaging technology allows a document to be captured digitally via scanning, converted into a bit-mapped image, indexed, compressed and stored in a database. The image can then be retrieved and distributed for processing.

400286

Workflow software, meanwhile, has advanced to deliver a multitude of benefits that can result in lower operating costs, less exposure to litigation, and higher revenue potential for many businesses.

The first benefit is better document access. Since documents are stored electronically and retrieved based on values of key fields, they may be retrieved very quickly. Documents stored online using optical or magnetic disk can be retrieved virtually instantaneously, and those on jukeboxes (what is sometimes termed "near online") can be retrieved in under a minute. This contrasts with waiting up to hours to retrieve information from a file cabinet, or up to days to retrieve information that has been archived in a warehouse.

Furthermore, content-based retrieval means that a file can be accessed in different ways, such as by case number, date or type, without creating multiple copies. Documents such as contracts can be stored as both text and image, and retrieved based on any word or combination of words. And because the file is like any other computer record, it can be accessed concurrently by multiple workstation operators.

A second major benefit of computerized document imaging systems is vastly improved document integrity. Since the file is now stored electronically, it is unlikely to get lost or physically damaged. Relational database features reconcile document changes and carry them forward to other databases. Additionally, it is easy to create backups and store them offsite for added security.

Reduction in the amount of paper used is a third major benefit. Fewer paper copies are needed since the document can be stored electronically. The physical space for paper is also greatly reduced, because a single 5.25-inch optical disk (approximately 600 MB) holds images equivalent to all the papers stored in a four-drawer file cabinet.

It is not uncommon for companies to cost-justify imaging technology based on a short payback period. Tangible savings from eliminating microfilm, reducing the headcount of clerical staff and saving storage space can result in payback periods of 18 months or less. When intangibles such as better response, improved security and fewer lost documents are added in, the payback period can be under one year.

Workflow Automation and Management

400287

The biggest payoff comes from using images to automate and manage workflow. Workflow processing

actively routes documents through a system, based on rules that reflect the decision criteria for processing the documents. Instead of just dumping all information into an "in-basket," logical queues of documents are established, enabling workstation operators to obtain the next available document for processing. This results in streamlined processing of documents, speedier distribution requiring fewer people, and more productivity from the people who must process the information.

For example, incoming documents are scanned into the system when received. Then they are indexed by the claim number, name, form type and scan date. All documents for the same case can be grouped together in an electronic file folder. When a file folder is opened, the whole folder — or individual documents — is routed immediately to the appropriate queue. Other needed information may reside in a mainframe database and can be integrated into the document via terminal emulation. In fact, multiple mainframe sessions may be established, each displayed in a separate window on the image workstation.

When a document processing step is completed, the file is forwarded to the next step by placing it in the appropriate logical queue. No physical transfer needs to take place. If further work is needed on the document, it can be sent back to the person who previously handled it, or it can be held in suspense until the additional information can be obtained.

With fewer people required to process documents, compared with a paper-based system, an organization can be more responsive to the needs of its customers or clients. In the past, important documents might have taken days to get from the mailroom to the right person's desk, as opposed to the instantaneous transfer of the image.

Another benefit is the ability to manage the flow of work through the office. Supervisors can easily monitor the status of documents and files to ensure that high-priority cases are handled expeditiously. The result is more productive workers and happier clients.

Some industry observers view this new way of document handling as signaling a paradigm shift from data management to work management. According to this view, imaging systems are not only changing the kind of information that moves within organizations, but how it moves as well.

400288

Workflow systems are particularly successful when designed to allow the process to be altered to match the technology. This is a radical change in information systems philosophy called "business process redesign"

or "business re-engineering". Instead of simply computerizing an existing manual system, a business must determine the goal of the manual process. Then the business must look for a way to achieve that goal in an efficient, cost-effective manner, even if it requires altering the current business practice.

Projects in which the business processes have been altered to take advantage of the new technologies often result in the biggest productivity increases. However, caution should be taken to prevent sudden and sweeping changes. After all, when people perceive a threat to job security, they may rebel against change and jeopardize success, either through inaction or deliberate means.

In fact, the organizational problems are often more difficult to solve than the technical ones. For example, a large insurance company wanted to implement an imaging system in its field offices, but was concerned that the staff would feel threatened and resist contributing to the design. The company solved this problem by selecting one field office for a pilot, and guaranteeing job security regardless of the outcome of the new system. This not only alleviated the immediate problem of staff concerns, but their increased participation ensured the long-term success of the project.

Integration Issues

In any image system implementation project, there is the need to integrate the images with existing applications and with record-oriented data that may already exist in a corporate database. Accordingly, an important factor in purchasing decisions is the ability of the product to integrate with existing equipment and software. The strong requirement for integration is also one of the major forces pushing vendors toward "open systems" built on industry-standard platforms.

At the applications level, integration is achieved by setting up image windows and database windows on the same screen. Data can then be transferred from the database window to the image window. This type of data transfer can be done in a variety of ways, including the use of MS-Windows' linkage mechanism, Dynamic Data Exchange (DDE).

A much better approach is to use cooperative processing to build applications that span microcomputers, minicomputers and mainframes. Portions of an application can run on any machine in a network, and data from a variety of databases can be linked with images. To provide easier integration of images with existing applications, application programming interfaces (APIs) are used, allowing images to be

400289

accessed from standard programming languages.

Another reason for integration is that users do not want to bring in a new database management system (DBMS) just to support the imaging system. Not only does this increase the cost of the imaging system, but it makes support of the system more difficult. The solution that many vendors have chosen is to allow their image filing and retrieval systems to work with a variety of relational database management systems (RDBMS), including Microsoft/Sybase SQL Server and Oracle, from Oracle Corp.

One result of the need for integration and the push to standard systems may be the absorption of image management into the standard data processing mix. While the interfaces are now mostly nonstandard, that is changing. As systems builders learn the new design techniques necessary to succeed with imaging applications, those techniques will become part of any designer's skill repertoire.

Technical Issues

Implementing an imaging system is a difficult technical task. The problem with images stems from the size of the bit-map. For example, a scanned 8.5-inch x 11-inch text document can produce a file size of over 1 MB. Even with compression, the file is still between 50 KB and 100 KB. For color documents, these storage requirements may be 10 or 20 times larger.

This large size affects every aspect of image manipulation. First is the need for compression. Compression occurs after the image is scanned, and decompression occurs when it is displayed or printed. Until recently, compression and decompression were done in hardware because of the amount of computation required. Add-on boards were required for adequate performance. But these boards added significantly to the cost of each display station. The trend today is toward software-based compression, which on a fast PC, provides a comparable level of performance — and at far less cost.

Integration with DBMSs is also a problem. Even when the DBMS supports a BLOB (Binary Large Object) data type in which image data can be stored, most DBMSs do not do all that is necessary to support images. For example, the DBMS must permit the image to be stored physically separate from the rest of the record, so that it can be put on optical media where more long-term storage capacity is available. Furthermore, when a record is retrieved, the image buffers need to be separate from the record buffers, otherwise the size of the image will quickly fill the allocated space. Some DBMS vendors

400290

are adding these and other capabilities to facilitate treating images as just another data type.

Another potential problem area is in networking. A large imaging application may require shipping many compressed images of 100 KB or more across the network. While many local-area networks can be configured to accommodate imaging applications, sending images over the slower wide-area network results in unacceptable performance, in which case a wide-bandwidth solution is required, such as that offered by private T1 lines operating at 1.536 Mb/s or emerging public network offerings, such as frame relay or switched multimegabit data services (SMDS).

This book covers these and other important issues related to the effective design and implementation of computerized document imaging systems. It progresses from basic concepts to applications to vendor implementations to planning. As such, this book is of value to those who need a central source of introductory information as well as to those who are well along in planning or implementing document imaging systems and can use further inputs into their decision-making processes. The book is written with a minimum of technical jargon, yet the subject matter is covered in sufficient detail so as to appeal to those who are also more technically oriented.

Although microfilm and microfiche are still important imaging technologies, the projected market growth for these systems is only 5 percent a year. There are also specialized imaging systems for medical applications, such as magnetic resonance imaging (MRI) or computerized tomography (CT). There are also highly sophisticated imaging systems used in oil and mineral exploration and to depict a variety of environmental conditions. Likewise, there are many experimental imaging technologies such as virtual reality and three-dimensional holography. These specialized topics are beyond the scope of this book, especially since there are many fine books already available that very capably treat these subjects. Accordingly, the focus of this book is on the computerized document imaging systems used in today's office environment.

How This Book is Organized

This book is organized into six parts: Basic Principles, Imaging System Platforms, Vendor Implementations, Wide Area Networking, Related Integration Areas, and Planning and Services.

Part I, **Basic Principles**, lays the foundation for more detailed discussions of document imaging, introducing the reader to concepts, information management issues

400291

and applications.

Chapter One provides an overview of document imaging concepts, introducing the reader to the basic categories of office document imaging systems and the various discrete processes that comprise the imaging system function, including scanning and indexing, storage and retrieval, compression, workflow and office automation. Also covered in this chapter are overviews of imaging system components, complementary technologies and networking requirements. The chapter ends with a discussion of the impact of open systems on imaging and some of the considerations that go into needs assessment.

Chapter Two provides a general discussion of information management. With this background, the reader will have a better understanding of how image documents are organized for storage, search and retrieval. Among the key concepts covered in this chapter are Boolean searches, structured query language (SQL), hypertext, and various document architectures.

Chapter Three provides in-depth descriptions of selected office applications of document imaging, including technical documentation, credit card transaction processing, accounts payable, insurance claims processing, and loan origination. Other applications are briefly mentioned as well. The intent of this chapter is to highlight some practical applications of document imaging and to stimulate the reader's imagination as to how document imaging may be applied to his or her own organization to streamline workflows, alleviate paper logjams, and increase office productivity.

Part II, Imaging System Platforms, provides a description of the major platforms on which document imaging systems are built: the microcomputer (desktop), LANs (departmental), and mainframe (enterprise).

Chapter Four provides an overview of a category of document imaging products that are commonly referred to as *desktop imaging systems*. This type of imaging system is aimed at small businesses or workgroups within the departments of large organizations. The chapter describes a range of affordable technologies and system components that come together in the low-volume office environment.

Chapter Five describes LAN-based imaging systems and some of the considerations that make for successful implementation. This chapter explains some of the popular LAN approaches, along with their associated advantages and disadvantages. Since the choice of LAN may have a bearing on imaging system performance, this chapter includes a discussion of the various LAN topologies. A synopsis of the popular LAN types is also

400292

provided, including Ethernet, Tok Ring, StarLAN, ARCnet and FDDI. In addition, the role of hubs and servers on the LAN is described.

Chapter Six describes mainframe-based imaging. Despite the much publicized migration of mainframe applications to the distributed computing environment characterized by LANs, many companies still have a large investment in mainframe computers and are seeking to leverage that investment by adding applications such as imaging. This chapter explores the role of the mainframe within the context of document imaging applications and highlights the associated system components. For the most part, the types of system components used in the mainframe environment are the same as for desktop and LAN-based imaging systems, differing only in their capacity to support a high volume of transactions. Of course, there are equipment types such as front-end processors (FEPs), communications controllers and certain types of storage facilities that are unique to the mainframe environment. These too are covered.

Part III, Vendor Implementations, provides a series of chapters that focus on the document imaging products of specific vendors. The selection of vendors was dictated by the willingness of the various companies to provide technical documentation and other proprietary information that adequately described the operation of their systems. Accordingly, the cooperation of IBM Corp., Unisys Corp., Hewlett-Packard Co., Digital Equipment Corp., and FileNet Corp. were instrumental in the development of the core content of this book. If only one of these vendors declined to participate, I would have considered this book seriously deficient. So I am very appreciative of their assistance.

Chapter Seven provides a description of the ImagePlus system of IBM Corp. Although IBM offers a version of ImagePlus for all three processing platforms — mainframe, mid-range, and microcomputer — this chapter focuses mainly on the SAA ImagePlus MVS/ESA system, which supports high-volume operational and production applications.

Chapter Eight discusses the Infolmage System of Unisys Corp., highlighting the major hardware and software components and how they work together to provide customers with a comprehensive imaging solution.

Chapter Nine describes Hewlett-Packard's Advanced Image Management System (AIMS). In addition to providing information on basic system operation, this chapter highlights the software modules that are used to support specific imaging system functions as well as the various tools that are available for applications integration.

400293

Chapter Ten provides a description of DECimage EXpress, including its development history, functionality and applications development environment. The options that can be added to DECimage EXpress are also discussed and well as third-party offerings that are based on DECimage EXpress, can be brought into DECimage EXpress to expand its functionality, or provide links into DECimage EXpress.

Chapter Eleven describes the document image products of FileNet Corp.; specifically, its WorkFlo Business System and FolderView offerings. This chapter also provides information on how applications are developed using object-oriented and script-oriented programming methods.

Part IV is concerned with wide area networking. Its single chapter, Chapter Twelve, provides a survey of transmission facilities and services that are available for users of public and/or private networks. Each type of facility and service is reviewed according to its ability to support the transmission of document images. The facilities described include analog leased lines, Fractional T1 and T1, and T3 and Fractional T3. The services described include dialup, packet-switched, digital data services (DDS), the Integrated Services Digital Network (ISDN), frame relay, and switched multimegabit data services (SMDS). Also covered in this chapter is inverse multiplexing, an economical way to support image applications by locally assembling bandwidth increments of 56/64 kb/s into higher-speed digital pipes, rather than pay high monthly local access fees for dedicated T1 lines.

400294

Part V contains two chapters on topics that will have an increasing relationship to document imaging: videoconferencing and the emerging set of technologies that go into multimedia.

Chapter Thirteen provides an introduction to videoconferencing and, along the way, describes how document imaging can be integrated into the conferencing sessions.

Chapter Fourteen describes multimedia technologies and applications, as well as how document imaging can be integrated into multimedia presentations.

Part VI, **Planning and Services**, contains two chapters that address the formative stages of document imaging system implementation. Chapter Fifteen deals with a variety of issues that must be addressed to ensure the successful planning, acceptance and implementation of a document imaging system. These issues include personnel, political, and technical concerns as well as support issues.

Chapter Sixteen focuses on the professional services offered by vendors to help customers assess the need for document imaging systems, as well as their potential performance and return on investment. This chapter focuses on the professional services offered by Unisys Corp., although most of the large imaging system vendors also offer similar types of services. Unisys was selected as the illustration because it was the most willing of any other vendor to discuss this type of service in great detail.

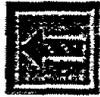


Table of Contents



Book Store



Main Menu

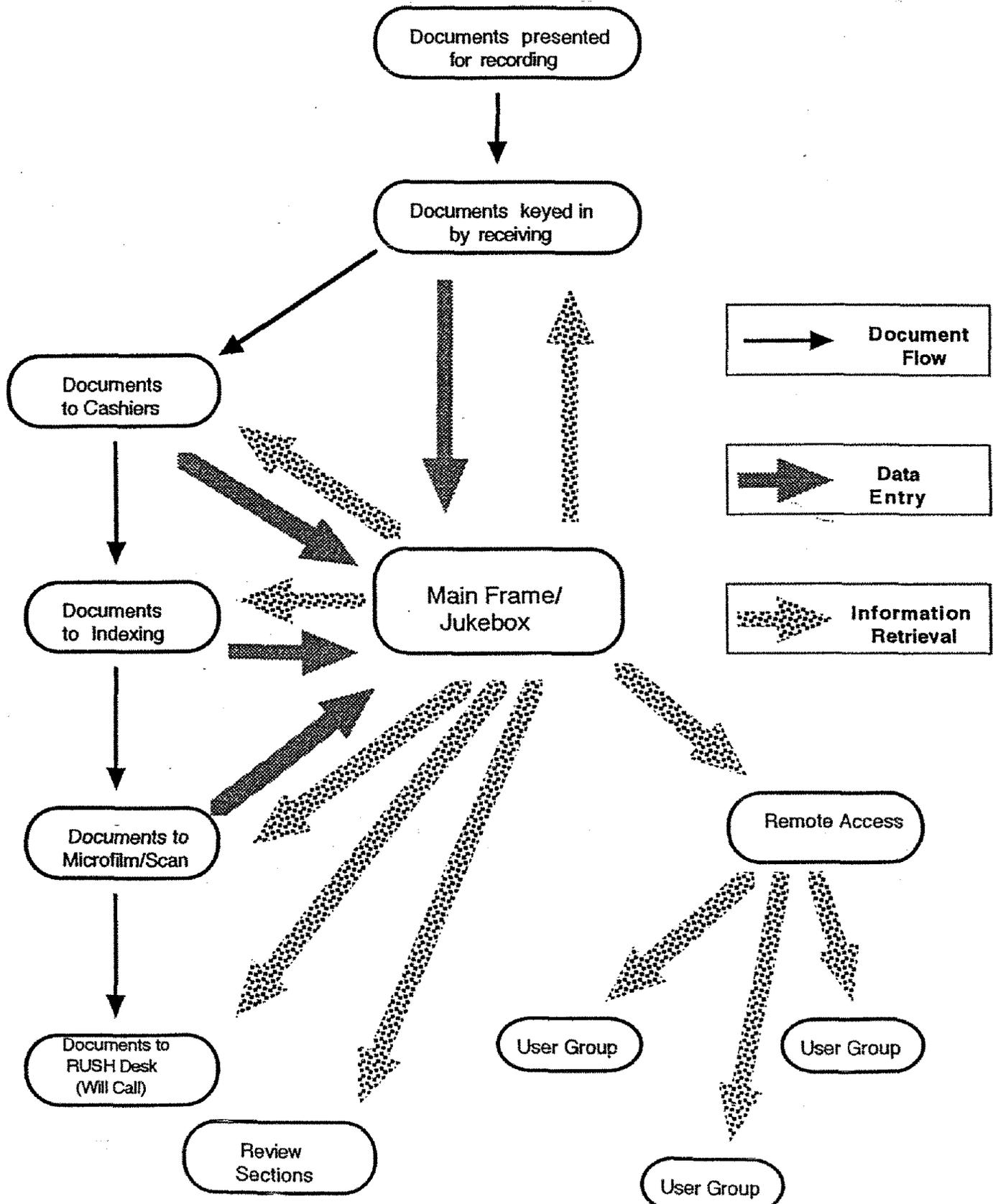


How to order . . .

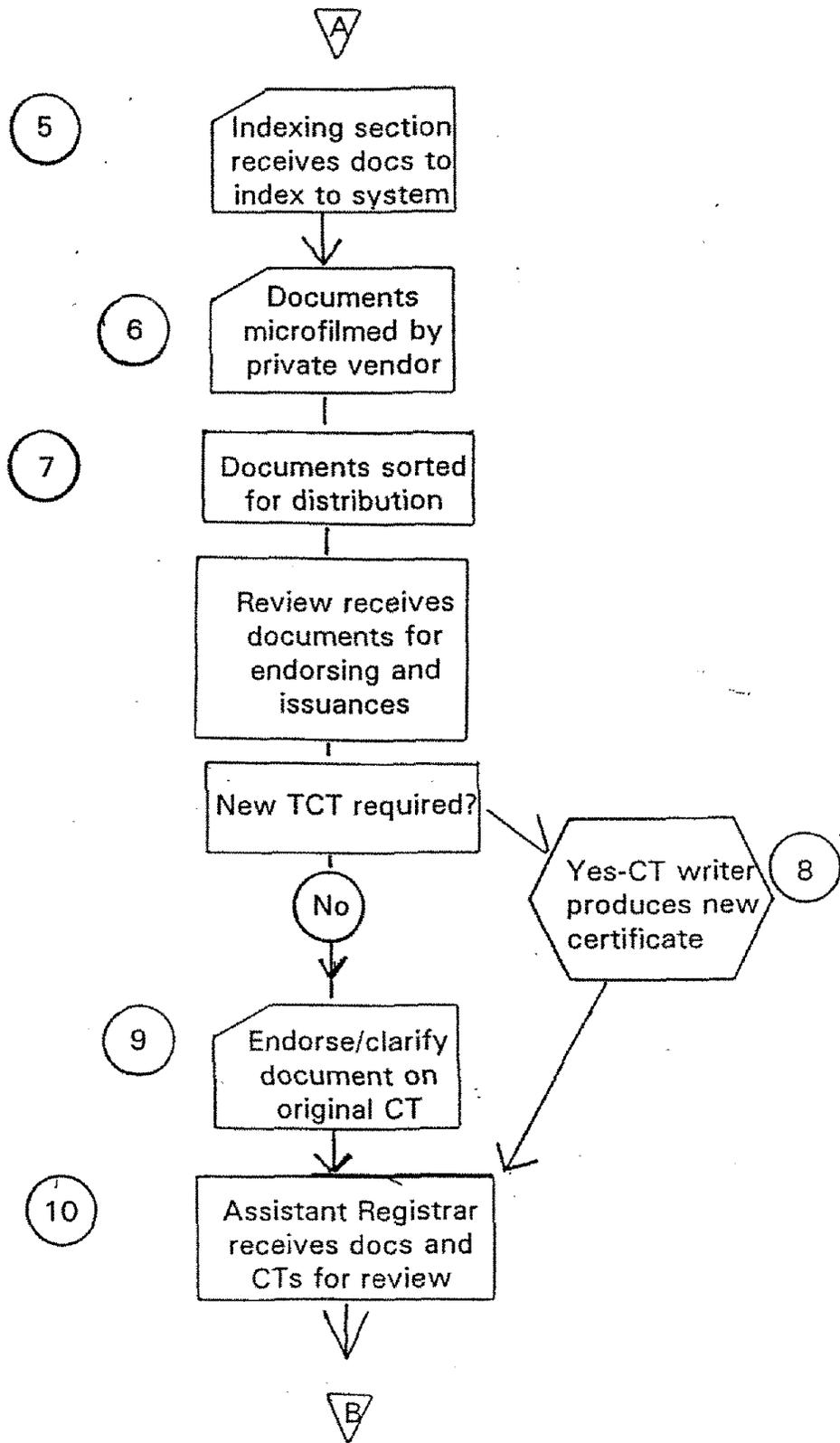
The information contained in this book is subject to change with continued advancements in technology and shifts in market forces. The mention of specific products and vendors does not constitute or imply an endorsement of any kind by the author or the publisher.

400295

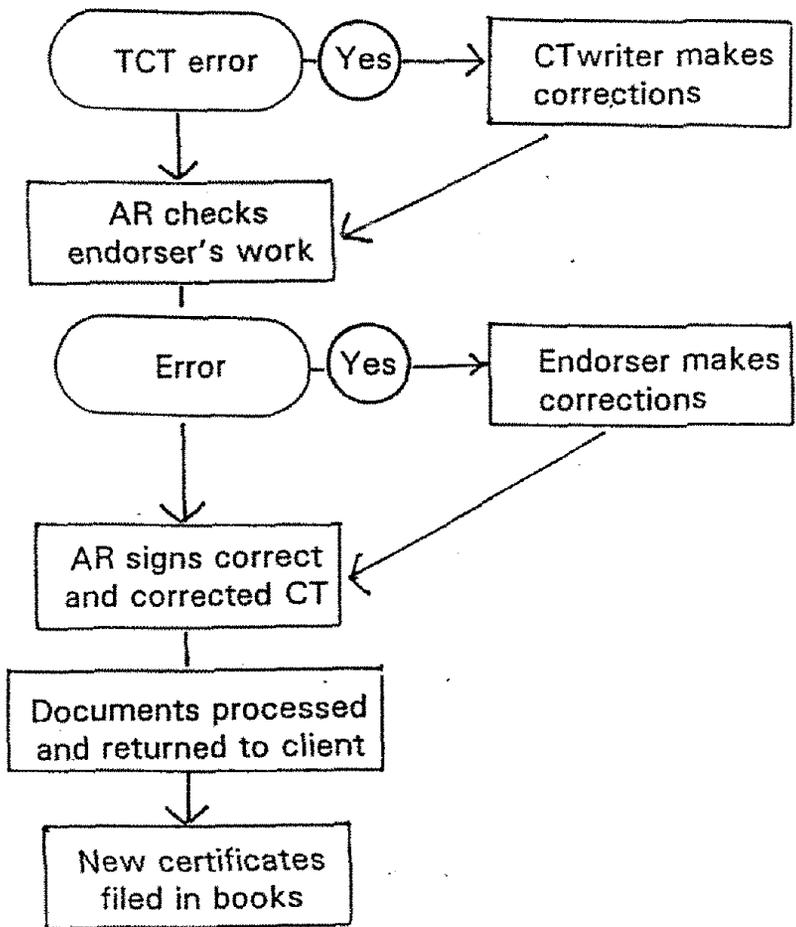
INFORMATION FLOW



400296



B



400299

1

Documents timed and numbered

a. The following screen would appear when labels are to be issued:

INFORMATION SCREEN

a-1 Date: 00/00/00 Time: 00:00

Date of Document: 00/00/00 a-2

Recording System a-3 Document Class a-4 Number of Labels a-5
of Documents: a-6 Document #/s: a-7

Issue Number of Certificates: a-8 C/Ts: a-9
Noted on Certificate: a-10

Fees: a-11 Island Code: a-12 Consideration: a-13
Penalty/Int: a-14
Amount: a-15

Tax Map Key: / - a-16a Lot: a-16b Map: a-16c FP: a-16d App: a-16e
a-16 Apt: a-16f Map: a-16g T/S Week: a-16-h Project: a-16i
Purpose: a-16j Int: a-16k

Locater: a-17

Grantor: Last: First: Middle:
Grantor: Last: First: Middle:
Grantor: Last: First: Middle:

Additional screens:

Grantee: Last: First: Middle:
& : Last: First: Middle:
Address: City: ST: Zip:

Grantee: Last: First: Middle:
& : Last: First: Middle:
Address: City: ST: Zip:

Additional screens:

400300

b. Highlighted area will be completed

- a-1 Date and time will be computer generated and defaulted to 00/00. TAB to "Date" to change. After change to Date, TAB to Time to change. Time is based on twenty four (24) hours. ENTER. If no changes to "Date or Time", press ENTER to move to Date of Document (a-2).
- a-2 Type in Date of Document, ENTER
- a-3 Select system "R" or "L" and TAB to a-4
- a-4 Select Document Class, "D" for deed, "M" for mortgage etc. "LCO" will indicate Land Court Order and system will issue sequential number for LCO files. "DEC" will indicate Decree and system will issue sequential number from Decree files. ENTER if single label is desired. If not, TAB to a-5:
- a-5 Field is defaulted to "1". For multiple labels for the same type of document, type in number of labels requested. Computer will generate number of labels requested in sequential order. Example: Number of labels requested is "5". Beginning with number 97-12345, the computer will generate five labels through document number 97-12349. ENTER
- a-6 Field is defaulted to "1". For multiple documents on a single label, type in number. Example: Assignment of Security with two consents. Type in "3" (three). The computer prints single label with three numbers. ENTER to highlight a-7.
- a-7 Assigned document numbers will appear. ENTER. For "R" (Regular system), curser will prompt to a-11. For "L" (Land Court), curser will prompt to a-8.
- a-8 Field defaulted to "1". Type number of certificates requested up to three (3). If more than three, type "AH" for as listed herein. ENTER and computer issued certificates will appear in a-9. ENTER to a-10.
- a-10 Type in certificate number of affected certificate. If more than two, type in "AH". ENTER to a-11.
- a-11 "Fees" defaults to "N" and if changed will require information in a-12, a-13, a-14, a-5. Type in "C" for conveyance tax or "S" for special mortgage recording fee, ENTER. Curser will go to a-12.

If no fees are collected, ENTER and curser will move to a-16.

- a-12 Type in island code, 1 for Oahu, 2 for Maui, 3 for Hawaii and 4 for Kauai, ENTER. Curser will go to a-13.
- a-13 Type in amount. Use decimal to reflect cents. Do not use commas, i.e 123435.88. System will compute amount of fee. Ten cents (\$.10) per hundred of consideration for conveyance tax and 1/10 of 1% of the mortgage amount for SMRF. TAB to a-14 to add penalty and ENTER. If no penalty, ENTER. Amount of fees

400301

- will be shown on a-15. Compare to client computed amount to for any difference. If none, ENTER, curser will move to a-16.
- a-16 Property description/purpose. Type in appropriate information, and TAB to next field or to a-17. If multiple properties are involved, use purpose field.
- a-17 Type in Locater. Upon completion, ENTER to print label. Labels will be laser printed at workstation. Label will have bar code that will hold information as document number, time, date, etc.

Land Court Label

STATE OF HAWAII
OFFICE OF THE ASSISTANT REGISTRAR

Nov 24, 1993 08:01 AM

Doc No (s) 2220001
on Certificate 234,443

Issuance of Cert (s) 444,112

/s/ JOHN H. SMITH
ASSISTANT REGISTRAR
[[[Bar Code]]]

Regular System Label

STATE OF HAWAII
BUREAU OF CONVEYANCES

Nov 24, 1993 08:01 AM

Doc No (s) 93-102345

/s/ JOHN H. SMITH
REGISTRAR OF CONVEYANCES
[[[Bar Code]]]

Information for labels can be inputted from various workstations that has a printer attached. System will generate sequential numbers, as requested, to avoid duplication. System WILL NOT PRINT if duplicate numbers are issued, regardless of date.

When pre-checks are time and numbered, changes to parameters will be done as currently done through parameter maintenance screen.

** If "L" is typed in a-3:

System will be sensitive to a-4, a-7, a-9, a-10 and a-16

a-4: If deed, system will note document (a-7) on

400302

certificate (a-10). Will also generate new certificate pursuant to (a-9) and include information from a-16.

Enter New Transfer Certificate of Title (CT)

From Cert# a-10 CT# a-9
Document# a-7 Last change by
Issue a-1 by /AR
Owner (s) Name and Address (es) (GL Key)

#####

Land Court # a-16e (application or consolidation)
Lot # a-16b Area: Map # a-16c Apartment # a-16f
Tax Map Key / - - a-16a Condo Map# a-16g Int: a-16k

#####

If a-4 is other than deed, information will be reflected on certificate indicated in a-10, and endorsed as follows: Pull up a-10

Enter / Update Encumbrance Information Only

From Cert# a-10 Last change by
Document# a-7
Issue a-1 by /AR

Seq No	Document No	Document Class Code & Description	Releases Document	Released by Document
<u> aa </u>	<u> a-7 </u>	<u> a-4 </u>	<u> bb </u>	<u> cc </u>
<u> GL </u>	<u> In Favor of </u>			

Apt/Lot# a-17 Int a-16k Segment

Reg mm dd yy a-1

Seq No (aa) will be issued by system
Description (bb) will appear based on a-4
Releases (cc) and Released (dd) works with each other
Information needs to be keyed in

400303

#####

- c. Reports generated by label information:
 - 1. Daily recording activity
 - a. Certificate sequence, noted on and issuance
 - b. Year to date totals of issued labels, certificates, LCOs
 - c. Collections for conveyance tax and SMRF fee
 - d. Void labels
 - e. Total good daily issuances
- d. Ability to maintain labels by recalling date, label number or document number

MAINTAIN CONVEYANCE FILE

System: d-1 Date: mm d-2 cyy Label d-3_ Void ? Time:

Document No: d-4	Thru:
Order No: d-5	Thru:
Cert Issuance:	Thru:
Decree No: d-6	

Noted on Cert:

Fees: d-7
 Consideration:
 Penalty/Int:
 Amount:
 Island:

Tax Office Printed:
 Receipt No:

- d-1 Type in R or L to indicate system inquiry, TAB to d-2
- d-2 Type in date, TAB to d-3
- d-3 Type in label number, ENTER.

Label information will be displayed. If fees are collected, a "C" or "S" will be displayed in d-7.

If label number is unknown, TAB to the respective field, i.e Document No. (d-4), Order No. (d-5) or Decree No. (D-6) and ENTER.

Label information will be displayed. If fees are collected, a "C" or "S" will be displayed in d-7.

400304

THIS PROGRAM WILL ALLOW FOR CHANGES TO LABEL INFORMATION.

- e. Ability to reprint labels

REPRINT LABELS

System: e-1 Date: mm e-2 cyy Label: e-3

- e-1 Type in "R" or "L", JUMP or TAB to e-2
- e-2 Type in date, JUMP or TAB to e-3
- e-3 Type in label number, ENTER

NEW LABEL WILL BE PRINTED.

2 Cashiers given documents to ring up

- a. Label numbers are keyed in and transaction information appears on the screen. Some changes to present process.

Bureau of Conveyances - Cash Register

Date: mm dd cyy h-1 Register # S - h-2_
Company Code: h-3
Job Number: h-4
Company Name: h-5 Total:
Label: ___ h-6 ___ - ___ Label: ___ h-7 ___ - ___ Label: _____

Grantor: Last: ___ h-8 ___ First: _____ Middle: _____
Grantor: Last: _____ First: _____ Middle: _____
Grantor: Last: _____ First: _____ Middle: _____

Additional screens: h-9

Grantee: Last: ___ h-10 ___ First: _____ Middle: _____
& h-11: Last: _____ First: _____ Middle: _____
Address: ___ h-12 ___ City: _____ ST: ___ Zip: _____

Grantee: Last: _____ First: _____ Middle: _____
& ___: Last: _____ First: _____ Middle: _____
Address: _____ City: _____ ST: ___ Zip: _____

Additional screens: N

400305

2 Cashiers given documents to ring up

- a. Label numbers are keyed in and transaction information appears on the screen. Some changes to present process.

Bureau of Conveyances - Cash Register

Date: mm dd ccy h-1
 Company Code: h-3
 Job Number: h-4
 Company Name: h-5
 Label: h-6 - _____ Label: h-7 - _____ Label: _____
 Register # S - h-2_ Total: _____

Grantor: Last: h-8 _____ First: _____ Middle: _____
 Grantor: Last: _____ First: _____ Middle: _____
 Grantor: Last: _____ First: _____ Middle: _____

Additional screens: h-9

Grantee: Last: h-10 _____ First: _____ Middle: _____
 & h-11: Last: _____ First: _____ Middle: _____
 Address: h-12 _____ City: _____ ST: _____ Zip: _____

Grantee: Last: _____ First: _____ Middle: _____
 & _____: Last: _____ First: _____ Middle: _____
 Address: _____ City: _____ ST: _____ Zip: _____

Additional screens: N

Balance	Seq	Source	Isle	Doc #	Qty	Amount
	h-1	Type in date, JUMP or TAB to h-3				
	h-2	Register receipt number will be sequentially issued by system				
	h-3	Type in company code if in glossary, TAB				
	h-4	Type in job number, if any. TAB				
	h-5	Company name will appear if h-3 is inserted. If not, type in company name. TAB				
	h-6	Type in label numbers, R### for regular, L### for Land Court				
	h-7	Repeat as necessary, ENTER				
	h-8	GRANTOR: Type in name. If corporate, use glossary. Names will appear in CAPS and system will be character case sensitive. TAB to next field. Upon completion, ENTER				
	h-9	Field defaulted to "N". If additional screens are needed, type "Y".				

400306

- Additional screens will appear. ENTER
- h-10 GRANTEE: Type in name, similar to h-8. TAB
 - h-11 Field defaulted to "U" unmarried. Change to "w" wife, "h" husband, "wo" wife of, "ho" husband of or "s" single. TAB to type in information. TAB
 - h-12 Type in address field. ENTER

Register information will appear and process of ringing up will begin.

**** If "L" label is typed in h-6 or h-7:
System will be sensitive to h-10, h-11 and h-12.**

CT# a-9

From Cert# a-10 Last change by

Document# a-7

Issue a-1 by /AR

Owner (s) Name and Address (es) (GL Key)

 h-10 & h-11

 h-12

Ownership

- b. Reports generated by cashier activity:
 - 1. Month end summary of collections
 - a. Ability to reflect journal voucher adjustments to date of JV or current month that automatically adjusts month end totals that are carried over to succeeding month.
 - 2. Label not receipted
 - 3. Account receivable billing
 - 4. Final daily summary
 - 5. Daily and monthly SMRF collections
 - 6. Daily and monthly conveyance tax collections
 - 7. Charged documents @ \$2.00. Amount to be jv'd to special fund.

ANY CHANGES TO DAILY FIGURES WILL IMPACT MONTH END REPORT.

400307

3 Conveyance tax certificate to tax office

- a. Conveyance tax collections are audited against P-64A forms submitted with payments. P-64A and P-64B are bundled and forwarded to Tax office by cashiers.

400308

4 **SMRF forms to Hurricane Relief Fund office**

- a. SMRF collections are audited against forms submitted with payments. Forms along with collection report are forwarded to Hawaii Hurricane Relief Fund office by cashiers.

5 Indexing section receives docs to index to system

a. Document numbers are keyed in and the following information is already in the system:

** Completed information appears on screen. *Highlighted areas to be worked.*

1. Conveyance tax purchased
2. Hurricane Relief Fund fee paid
3. Noted on certificate number ** (doc attaches to current certificate)
4. New issuance number **
5. Date and time of recording
6. Document class **
7. Grantor
8. Grantee and address
9. Property description

INFORMATION SCREEN

Date: 00/00/00

Time: 00:00

Recording System _____ Document Class _____ Number of Labels _____
 # of Documents: _____ Document #/s: _____, _____, _____, _____

Issue Number of Certificates: _____ C/Ts: _____, _____, _____, _____, _____, _____
 Noted on Certificate: _____, _____, _____, _____

Fees: _____ Island Code: _____ Consideration: _____
 Penalty/Int: _____
 Amount: _____

Date of Document: 00/00/00 b-1

Grantor: Last: _____ b-2 _____ First: _____ Middle: _____
 Grantor: Last: _____ First: _____ Middle: _____
 Grantor: Last: _____ First: _____ Middle: _____

Additional screens: b-3

Grantee: Last: _____ b-4 _____ First: _____ Middle: _____
 & b-5 : Last: _____ First: _____ Middle: _____
 Address: _____ b-6 _____ City: _____ ST: _____ Zip: _____

Grantee: Last: _____ First: _____ Middle: _____
 & _____ : Last: _____ First: _____ Middle: _____

400310

Address: _____ City: _____ ST: _____ Zip: _____

Additional screens: N

Tax Map Key: / - - - - Lot: _____ Map: _____ FP: _____ App: _____
b-7 Apt: _____ Map: _____ T/S Week: _____ Project: _____
Purpose: _____ Int: _____

b. Additional information keyed in by section and documents checked for appropriateness of recording, i.e. signatures, notarial acknowledgment and seal, certificate of title reference, riders, exhibits, cover sheet information and exhibit agree, tenancy, no initials in Land Court, address of grantee, corporate existence of grantee

1. Name of grantors
2. Name and address of grantees, assignees, lessees, mortgagee, etc.
3. Description of secured interest: lot reference, app/file plan number, mortgage assigned, lease/assignment of lease number
4. Property description/Purpose

ANY CHANGES IN NAME OR INFORMATION WILL NOT ALLOW KEYS TO PROCEED.

- b-1 Type in date of document, JUMP or TAB to b-2
- b-2 GRANTOR: Type in name. If corporate, use glossary. Names will appear in CAPS and system will be character case sensitive. TAB to next field. Upon completion, ENTER
- b-3 Field defaulted to "N". If additional screens are needed, type "Y". Additional screens will appear. ENTER
- b-4 GRANTEE: Type in name, similar to b-2, TAB
- b-5 Field defaulted to "U" unmarried. Change to "w" wife, "h" husband, "wo" wife of, "ho" husband of or "s" single. TAB to type in information. TAB
- b-6 Type in address field. ENTER
- b-7 Property description/purpose. Type in appropriate information, and TAB to next field. If multiple properties are involved use purpose field. Upon completion, ENTER.

INDEXES ARE NOW AUDITED. INFORMATION FROM THE GENERAL INDEXES CAN BE ACCESSED BY REMOTE BY RUNNING OF THE GRANTOR/GRANTEE.

LAND COURT INDEX

CLASS	GRANTOR	GRANTEE	DOCUMENT	CERTIFICATE	DESCRIPTION	ISLAND
a-4	h-8	h-10/h-11	a-7	a-10	a-16	a-16a

a-9 if "D" or "LCO" that issues

400311

9 Endorse/clarify document on original certificate

a. Comparer will call up certificate and search for document number. When the document is recalled, the following will appear:

1. Document class
2. Date of recording
3. Mortgagee's name
4. Document to be released
5. Name of assignee
6. Locators

Enter / Update Encumbrance Information Only

CT# a-9 or c-2

From Cert# a-10 Last change by

Document# a-7

Issue a-1 by /AR

Seq No	Document No	Document Class Code & Description	Releases Document	Released by Document
-----------	----------------	--------------------------------------	----------------------	-------------------------

<u>aa</u>	<u>a-7 or c-3</u>	<u>a-4</u>	<u>bb</u>	<u>cc</u>	<u>dd</u>
<u>GL</u>	<u> </u>	In Favor of <u>h-8</u>	<u> </u>	<u> </u>	<u> </u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

Apt/Lot# a-17 Int a-16k Segment

Reg mm dd yy a-1

b. Comparer will review documents and clarify information against information contained in system.

Purpose: _____ Int: _____

Locator: _____

400314

6 Documents microfilmed/scanned by private vendor or in-house

- a. Responsible of production
 - 1. Clarity, no missing docs or pages
 - 2. Overnight completion
 - 3. Penalty for inaccuracies or late deliveries, if outsourced.
 - 4. Bonded operation, if necessary.
 - 5. Work done on site using vendor's equipment or division equipment.
Equipment will have capability of feeding documents automatically reducing labor requirements.
- b. Vendor to provide microfilm for public reference, receiving and archives or scan documents into digitized medium. Documents need to be concurrently microfilmed for archival purposes.
- c. Microfilmed information to be converted to optical disc or see item b.
- d. Bar code on label to provide document reference for scanning and microfilm access.

DIGITIZED IMAGE CAN BE RETRIEVED BY REMOTE ACCESS OR IN PUBLIC REFERENCE USING DOCUMENT NUMBER REFERENCE.

400315

Land Court Label

STATE OF HAWAII
OFFICE OF THE ASSISTANT REGISTRAR

Nov 24, 1993 08:01 AM

Doc No (s) 2220001
on Certificate 234,443

issuance of Cert (s) 444,112

/s/ JOHN H. SMITH
ASSISTANT REGISTRAR
[[[Bar Code]]]

Regular System Label

STATE OF HAWAII
BUREAU OF CONVEYANCES

Nov 24, 1993 08:01 AM

Doc No (s) 93-102345

/s/ JOHN H. SMITH
REGISTRAR OF CONVEYANCES
[[[Bar Code]]]

400316

8 Yes-Ct writer produces new certificates

- a. CTwriter calls up new certificate number and the following information appears: (enhancement to present system)

From Cert# a-10 Document# a-7 Issue a-1 by /AR Owner (s) Name and Address (es) (GL Key) h-10 & h-11 or h-11 h-12

Ownership hh

#####

Land Court # a-16e (application or consolidation) Lot # a-16b Area: hhhh Map # a-16c Apartment # a-16f Tax Map Key / - - a-16a Condo Map# a-16g Int: a-16k

#####

- 1. Canceled certificate
2. Document and date creating new issue
3. Lot description and tax map key
4. Grantee and address
5. Encumbrances affecting new issuance

- b. CTwriter will complete/correct the following information:

- 1. Tax key information
2. Grantee name and address
3. Locators on new encumbrance
4. Clarify completeness of encumbrance
5. Tenancy (hh) and Area (hhhh)

9 Endorse/clarify document on original certificate

a. Comparer will call up certificate and search for document number. When the document is recalled, the following will appear:

1. Document class
2. Date of recording
3. Mortgagee's name
4. Document to be released
5. Name of assignee
6. Locators

Enter / Update Encumbrance Information Only

CT# a-9 or c-2

From Cert# a-10 Last change by

Document# a-7

Issue a-1 by /AR

Seq No	Document No	Document Class Code & Description	Releases Document	Released by Document
-----------	----------------	--------------------------------------	----------------------	-------------------------

<u>aa</u>	<u>a-7 or c-3</u>	<u>a-4</u>	<u>bb</u>	<u>cc</u>	<u>dd</u>
<u>GL</u>	In Favor of		<u>h-8</u>		

Apt/Lot# a-17 Int a-16k Segment

Reg mm dd yy a-1

b. Comparer will review documents and clarify information against information contained in system.

10 Assistant Registrar receives docs and CTs for review

- a. AR will be able to view document and CT on split screen based on documents being scanned to optical disk
 - 1. AR will make necessary corrections to CT upon review of doc
 - 2. Functions will be similar to present practice
 - 3. Sign new certificates to complete certification
- b. After final certification by AR, documents processed and forwarded to Will Call for distribution.

INFORMATION SCREEN

Date: 00/00/00

Time: 00:00

Recording System ____ Document Class ____ Number of Labels ____
of Documents: ____ Document #/s: _____, _____, _____, _____

Issue Number of Certificates: ____ C/Ts: _____, _____, _____, _____, _____, _____
Noted on Certificate: _____, _____, _____

Fees: ____ Island Code: ____ Consideration: _____
Penalty/Int: _____
Amount: _____

Date of Document: 00/00/00

Grantor: Last: _____ First: _____ Middle: _____
Grantor: Last: _____ First: _____ Middle: _____
Grantor: Last: _____ First: _____ Middle: _____

Additional screens: ____

Grantee: Last: _____ First: _____ Middle: _____
& _____: Last: _____ First: _____ Middle: _____
Address: _____ City: _____ ST: ____ Zip: _____

Grantee: Last: _____ First: _____ Middle: _____
& _____: Last: _____ First: _____ Middle: _____
Address: _____ City: _____ ST: ____ Zip: _____

Additional screens: ____

Tax Map Key: / - - - - Lot: _____ Map: _____ FP: _____ App: _____
Apt: _____ Map: _____ T/S Week: _____ Project: _____

Purpose: _____ Int: _____

Locator: _____

400320

Land Court Label

STATE OF HAWAII
OFFICE OF THE ASSISTANT REGISTRAR

Nov 24, 1993 08:01 AM

Doc No (s) 2220001
on Certificate 234,443

Issuance of Cert (s) 444,112

/s/ JOHN H. SMITH
ASSISTANT REGISTRAR
[[[Bar Code]]]

Regular System Label

STATE OF HAWAII
BUREAU OF CONVEYANCES

Nov 24, 1993 08:01 AM

Doc No (s) 93-102345

/s/ JOHN H. SMITH
REGISTRAR OF CONVEYANCES
[[[Bar Code]]]

400322

SEARCH PROGRAMS

Once information on the transaction has been keyed in, access to this information is available through each workstation. The information will be transmitted to specific search modules to provide information based on specific requests.

1. This same information will be downloaded to the respective title plants eliminating need for production of magnetic tapes each day.
2. General indexes will be provided by an on-line system eliminating the need for microfiche information.
3. Documents can be viewed through digitized images at worksites eliminating need to view microfilmed images. Prints can be made of images eliminating need to stand up and proceed to microfilm reader/printer to make copies.
4. Information is on-line on a daily basis and can be accessed from remote sites.
5. Searching capabilities are enhanced.
6. Viewed documents can be printed by pressing "P"

SEARCH MODULES

1. Grantor/Grantee
2. Land Court Document
3. Regular System Document
4. Condo Map / Apt
5. File Plan / Lot
6. Certificate of Title
7. Tax Map Key
8. Application / Lot

EQUIPMENT

1. Each workstation should be equipped:
 - a. CPU
 - b. High resolution monitor - 17" minimum
 - c. Keyboard and mouse
 - d. Laser printer for labels (receiving)
 - e. Compatible software to view images and move on screen - TIFF?

400324

INFORMATION FLOW

Documents
presented for
recording

Document keyed
in by receiving

Documents
to Cashiers

User Group

Documents
to Indexing

Main Frame/
Juke Box

Remote
Access

Documents to
Microfilm/Scan

User Group

Documents to
RUSH Desk
(Will Call)

User Group

User Group

400325

1. Grantor / Grantee Index

[Grantor / Grantee Search]
[Name: _____]
[(Last name first, partial names are OK)]

- a. Grantor/Grantee Index will provide all listings involving party being searched.
- b. From the listing, move cursor to name of party, ENTER

[Name: _____]

Date	L/R	Document	G/G	Class
12/01/83	Regular	17491/302	Grantor	FS
08/09/91	Land Court	1234359	Grantee	D
04/17/93	Land Court	1843676	Grantor	D

- a. Move highlighter to document to be reviewed, ENTER

[Regular System]
[Document: 83-135465 Date: 12/01/83 Class: FS]
[Certificate: Book: 17491 Page: 302]
[Description: Island:]
[Grantor:]
[Grantee:]

*** NOTE: Document references in Regular System must reflect Liber and Page prior to 1990. Document references utilizing year and document number did not begin until 1990.

Press "V" to view document or ESC to previous screen

400326

2. Land Court Document

[Land Court Document]
[
[Document Number: _____]
[]

Type in number, ENTER

[
[*Land Court System*]
[Document: Date: Class:]
[Certificate: Book: Page:]
[Description: Island:]
[]
[Grantor:]
[Grantee:]
[]

Press "V" to view document or ESC to previous screen

2. Con't ** If Land Court search involves a mortgage, there will be an additional field to reflect the recorded release.

[Land Court System]
[
[Document Number: _____]
[]

Type in number, ENTER

[
[*Land Court System*]
[Document: 1329090 Date: 03//03/93 Class: M]
[Certificate: 256987 Book: Page:]
[Description: Apt 34 Map 002 Island: 1]
[]
[Grantor:]
[Grantee:]
[]
[Released by Document: 2034567 Date: 03/03/97]
[]

Press "V" to view document or ESC to previous screen.

400328

3. Regular System Document

[Regular System Document]
[
[Document Number: _____]
[]

Type in number, ENTER

**System sensitive to "/" in 17491/302 to search under Liber and Page. Will search current numbering system of 97-0011239.

[
[*Regular System*]
[Document: Date: Class:]
[Certificate: Book: Page:]
[Description: Island:]
[]
[Grantor:]
[Grantee:]
[]

Press "V" to view document or ESC to previous screen

3. Con't ** If Regular System search involves a mortgage, there will be an additional field to reflect the recorded release.

_____ [Regular System Document] _____
[
[Document Number: _____]
[]

Type in number, ENTER

**System sensitive to "/" in 17491/302 to search under Liber and Page. Will search current numbering system of 97-0011239.

[]
[*Regular System*]
[Document: 93-0123444 Date: 03//03/93 Class: M]
[Certificate: Book: Page:]
[Description: Island:]
[]
[Grantor:]
[Grantee:]
[]
[Released by Document: 97-0098765 Date: 03/03/97]
[]

Press "V" to view document or ESC to previous screen

400330

4. Condo Map and Apt

[Condo Map and Apartment]
[System: L or R Condo Map: _____ Apt: _____]

Type in number, ENTER

[Condo Map and Apt]
[*Land Court or Regular System*]
[Condo Map: _____ Apt: _____]

Date	L/R	Document	Class
12/01/83	Regular	17491/302	FS
08/09/91	Land Court	1234359	D
04/17/93	Land Court	1843676	D

Move highlighter to document to be reviewed, ENTER

[*Regular System or Land Court*]
[Document: Date: Class:]
[Certificate: Book: Page:]
[Description: Island:]
[Grantor:]
[Grantee:]

Press "V" to view document or ESC to previous screen

400331

5. File Plan and Lot

[File Plan and Lot]
[File Plan: _____ Lot No: _____]

Type in number, ENTER

[File Plan and Lot]
[File Plan: _____ Lot: _____]

Date	L/R	Document	Class
12/01/83	Regular	17491/302	FS
08/09/91	Regular	91-1090981	AL
04/17/93	Regular	93-0098767	D

Move highlighter to document to be reviewed, ENTER

[
[*Regular System*]
[Document: Date: Class:]
[Certificate: Book: Page:]
[Description: Island:]
[Grantor:]
[Grantee:]

Press "V" to view document or ESC to previous screen

400332

6: Tax Map Key

[Tax Map Key]
[
[TMK: Div: Zone: Sec: Plat: Par: CPR:]
[

Type in number, ENTER

[Tax Map Key]
[
[TMK: Div:1 Zone: 1 Sec: 2 Plat: 121 Par:121 CPR:0123]
[

Date	L/R	Document	Class
12/01/83	Regular	17491/302	FS
08/09/91	Land Court	1234359	D
04/17/93	Land Court	1843676	D

Move highlighter to document to be reviewed, ENTER

[
[*Regular System*]
[Document: Date: Class:]
[Certificate: Book: Page:]
[Description: Island:]
[]
[Grantor:]
[Grantee:]
[

Press "V" to view document or ESC to previous screen

400333

7. Certificate of Title

[Certificate of Title]

[Certificate: 342343]

Type in number, ENTER

Date	L/R	Document	Class
12/01/83	Land Court	1014333	M
08/09/91	Land Court	1234359	D
04/17/93	Land Court	1843676	D

Move highlighter to document to be reviewed, ENTER

[*Land Court System*]
[Document: 1014333 Date: 12/01/83 Class: M]
[Certificate: 342343 Book: Page:]
[Description: Lot 1, App 1053 Island: 3]
[Grantor: DOE, JOHN]
[Grantee: FIRST HAWAIIAN BANK]

Press "V" to view document or ESC to previous screen

400334

8. Application and Lot

[Application and Lot]
[Application : _____ Lot No: _____]
[]

Type in number, ENTER

[Application and Lot]
[Application : _____ Lot No: _____]
[]

Date	L/R	Document	Class
12/01/83	Land Court	1020222	M
08/09/91	Land Court	1234359	D
04/17/93	Land Court	1843676	D

Move highlighter to document to be reviewed, ENTER

[]
[*Land Court*]
[Document: Date: Class:]
[Certificate: Book: Page:]
[Description: Island:]
[]
[Grantor:]
[Grantee:]
[]

Press "V" to view document or ESC to previous screen

400335

**5 Year Equipment Automation Plan
February 1997 Addendum**

The difference between the cost STAGE model presented earlier is that we are accelerating our expenditures to be in a better position to service the Title Companies and match the needs they are currently presenting to us due to their more rapid change in automation implementation. The amounts targeted for Stage 3, Year 4 have been re-allocated into Stage 1 and Stage 2 for a faster startup and implementation of the BOC automation process and allowance was made for a Business Process Management Study.

New Discoveries of existing market place of BOC's main Users (Title Companies):

With the advent of the year 2000 and it's concerns on the Title Industry, we have discovered that many of the Title Companies are in the process or are planning to, within the next 2 years, be "geared-up" and will have upgraded their hardware and software platforms. Thus, the BOC would like to be capable to provide some of the services targeted for Stage 1 and Stage 2 (from Stage 3), to the title industry so our most current Cost Schedule reflects this.

Changes to STAGES are as follows:

STAGE 1: *The initial year will not only be to finalize the RFP and complete approval but to begin LCATS, REGULAR SYSTEM and REGISTER & LABEL application-improvements.

 *To accelerate some of the electronic means of communication with title companies and to provide more enhanced electronic services to them.

 *To add Electronic and Image hooks to all applications at this time (LCATS, REGULAR SYSTEM, REGISTER & LABEL ("Time & Numbering")) so that more can be initiated by the title companies.

 *To allow for a Business Process Management Study budget that will provide for a new and more comprehensive review of the existing processes at the BOC and at the new direction of our customers, the title industry, to come with a more optimal plan for automation implementation within the BOC.

 *To establish a "full-blown" Local Area Network (LAN) within the BOC with the hooks to the DLNR LAN for E-mail and Word Processing and to establish the desktop standard on Microsoft products, including training of BOC staff.

 *To establish a "DLNR Information Management shell" which embodies a set of standards for communication within the BOC for sharing of information within other agencies within DLNR such as Land Management.

STAGE 2: *Accelerate Electronic means for communication to and from title companies.

 *Accelerate Image implementation

STAGE 3: *Reduced scope of work to "refining the process" rather than "providing the process".

400336

BUREAU OF CONVEYANCES
5 Year Equipment Automation Plan
January 1997

The following are broad based stages in the BOC 5 year automation planning. There will be a need to elaborate on details, gather more precise cost figures, and determine desired timeframes after approval of our special funds. The initial year after approval should be used to finalize the RFP and complete the approval process to initiate our changes.

Stage One: Total replacement of Wang VS computer system.
Estimated Cost: \$750,000 Time period: 2 years

To provide faster, more extensive data access, and lower maintenance fees per year by utilizing newer technology, to integrate more of the functions performed by the BOC, and to position for Imaging and other electronic means of capturing and providing data.

To upgrade all workstations to 17" PC based systems for departmental LAN accessibility, and positioning for Imaging of documents. To replace the Unysis and re-engineer the data entry process to provide single point and other entry/edit techniques for better data integrity in less time. To enhance the REGISTER & LABEL ("Time & Numbering") functions so more is done at point of entry including consolidating workflow and allowance for future entries. To enhance the LCATS functions to provide additional information in a more timely manner and with greater data integrity, including reports and media required by the Title companies, Law firms and the General Public to be done at the department level.

To initiate neighbor island access through existing facilities.

Stage Two: Imaging of documents on the new Computer System.
Estimated cost: \$300 - \$500,000 Time period: 1 year

To provide more timely and comprehensive access to stored documents in a more flexible format that can be utilized by online workstations.

May require more personnel for inputting data for history purposes (start up 10 year history information). Possible to outsource this activity.

Stage Three: Internet access and other electronic means (eg. barcodes, facsimile) of capturing and providing information.
Estimated cost: \$500,000 Time period: 1 year

To provide means to facilitate recording process and accessibility to records via modem hook ups.

400337

**BUREAU OF CONVEYANCES
FIVE YEAR COST OF TECHNOLOGY UPGRADE**

February 3, 1997

DESCRIPTION	TOTAL COST	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
HARDWARE						
Primary System Configuration	300,000	150,000	75,000	75,000		
Communications Equipment	80,000		30,000	40,000	10,000	
Printers	40,000	30,000	10,000			
Workstation Equipment	210,000	160,000	50,000			
Local/Wide Area Network	100,000		80,000	20,000		
Subtotal	730,000	340,000	245,000	135,000	10,000	
SYSTEM SOFTWARE						
System Software	50,000	30,000		20,000		
Simulation Software	40,000	20,000	20,000			
Other System Software	50,000	10,000	10,000	10,000	10,000	10,000
Subtotal	140,000	60,000	30,000	30,000	10,000	10,000
APPLICATION SOFTWARE						
CATS Application	75,000	20,000	30,000	25,000		
EG/ABEL Application	50,000	25,000	25,000			
MA/G Application	150,000		30,000	120,000		
REGULAR SYSTEM Application	75,000	25,000	25,000	25,000		
Financial/Management Application	25,000		25,000			
Internet/Intranet Integration	75,000		10,000	45,000	20,000	
Electronic Integration	60,000			30,000	30,000	
Operations Management	10,000		5,000	5,000		
Subtotal	520,000	70,000	150,000	250,000	50,000	
ASSOCIATED SERVICES						
Business Process Management Study	100,000	40,000	40,000	20,000		
Project Management	60,000			40,000	20,000	
Hardware-Shipping/Installation	15,000	10,000		5,000		
Site Prep, Cabling & Electric	75,000	30,000	45,000			
Data Conversion	50,000	30,000	20,000			
Microfilm Conversion	60,000			60,000		
Training	30,000		20,000	10,000		
Subtotal	390,000	110,000	125,000	135,000	20,000	
MAINTENANCE & WARRANTY						
Hardware Maintenance	100,000	20,000	20,000	20,000	20,000	20,000
Application Software Maintenance	80,000		20,000	20,000	20,000	20,000
Support Service Contract	40,000		10,000	10,000	10,000	10,000
Subtotal	220,000	20,000	50,000	50,000	50,000	50,000
TOTAL COST	2,000,000	600,000	600,000	600,000	140,000	60,000

400338

**AGREEMENT BETWEEN HAWAII'S BUREAU OF
CONVEYANCES AND MEMBER COMPANIES OF THE
HAWAII LAND TITLE ASSOCIATION**

Hawaii's Bureau of Conveyances ("BOC") has asked for assistance from the Hawaii Land Title Association ("HLTA"). Specifically, the BOC seeks help with backlogged mail-in recordings for the Land Court system, and has asked members of the HLTA to provide qualified employees from the member companies to act as temporary Land Court Receiving Clerks. The BOC will compensate the individual companies at the rate of \$15.68 per hour for each employee performing Receiving Clerk duties.

In consideration of the hourly rate quoted, and the mutual benefits to the BOC and the HLTA, the BOC and HLTA agree as follows:

1. HLTA member companies will assist the BOC staff by processing mail-in recordings at their respective offices rather than at the BOC during the BOC's regular business hours.
2. HLTA member companies may elect to send employees to the BOC after the BOC's regular business hours or on weekends.
3. By signature to this agreement by duly authorized representatives of the respective member companies, individual companies agree to indemnify the BOC against any actual loss or damage flowing from the performance of this agreement. A duty to defend the BOC in any litigation related to this indemnity obligation is expressly not imposed on the member companies.
4. Alternatively or in addition to Items 1 to 3 above, member companies agree to refer any qualified former employees to an independent temporary employment agency, which will contract with the BOC to supply temporary Receiving Clerks. Member companies will not receive any compensation from the BOC under this option.

Bureau of Conveyances

Dated: _____, 2006

By:
Its:

Member Company

Dated: _____, 2006

By:
Its:

400339

RECORDING AGREEMENT

This is a mutual Agreement of daily recording procedures between the undersigned Title Companies in the State of Hawaii and the Registrar of Conveyances of the State of Hawaii. These procedures apply to both Regular System and Land Court Systems. Hereinafter Bureau of Conveyances will be referred to as "BOC" and Title Companies as "TC". This agreement shall take effect on January 1, 2006.

HEREIN, incorporated by reference are the RULES RELATING TO CONVEYANCES, Hawaii Administrative Rules Title 13 Department of Land and Natural Resources Chapter 16, §13-16-1-§13-16-32. This Agreement is also governed by §501-101 & 139 and §502-32 *Hawaii Revised Statutes* for recording in Regular and Land Court Systems.

TERMS. To carry out this Agreement, the undersigned TC's and the BOC both agree to the following. There will be three (3) categories defined as General, Project Recordings and Accommodation Recordings.

1. NOTICE.

Notice throughout this document shall be by telephone, fax and/or e-mail to telephone numbers and e-mail addresses provided by the BOC and individual TC's.

2. PRE-CHECKS.

- a. All General TC documents, which are intended to be recorded at 8:01 a.m. the next business day, will be presented for recordation by the TC's no later than at 3:00 p.m. the day before recordation. TC's may begin lining up no earlier than 2:30 p.m., and the BOC will assign each TC a recording order number, which will change on a weekly basis.
- b. If they are entitled for recordation, they will be recorded at 8:01 am. the next business day.
- c. Back-to-back transactions are to be packaged by the respective TC's and submitted as a single package.
- d. Documents are to be separated into these categories:
 1. Regular System
 2. Land Court System
 - a. Land Court Orders/Documents that issue
 - b. Non-issuances
 3. Double System
 - a. Land Court Orders/Documents that issue
 - b. Non-issuances
 4. Double System
 5. Involuntary Liens

400340

Page 1 of 7

3. **RECORDING.**

- a. Greenie locates should reflect the date of recording and document number as well as the certificate of title number affected. Locates are required for documents that recorded within the past 3 months.
- b. Certificate of Title numbers (especially on mortgage releases) should be checked and verified prior to submittal of documents to the Bureau.
- c. Total Page count needs to be reflected on the first page of the document; circle the number of pages.
- d. Double System recordings no longer need a second copy.
- e. Title company logo and correct job reference numbers must be clearly shown on the first page documents submitted for prechecks.
- f. Greenies will be available for pickup at 8:30 a.m. on the scheduled recording day.

4. **REJECTS/RESUBMITS.**

- a. Any rejected document may be resubmitted on the date of rejection through 1:30 p.m. to receive recording clearance that same day.
- b. Rejects will be available for pickup at 11:30 am on the scheduled recording day.
- c. The Bureau will establish a single drop off point.
- d. A GP time will be given for re-submitted documents.
- e. Any documents determined to have been rejected in error by the BOC will receive a time of 8:01 am.
- f. The TC's will try to adhere to a no more than 2 time reject policy, an exception would be if the CT# is not referenced or is incorrect, or the chain of title cannot be checked.
- g. BOC staff will tag the documents with the reject slip that identifies the reason for the rejection.
- h. There is no current designation for the number of resubmit/rejections allowed per TC. Accommodations, if rejected, will not be allowed to be resubmitted until the next business day.

5. **MINOR DISPUTES.**

Minor disputes between BOC and TC staff, such as over the recordability of a single document, will be first addressed to the respective Land Court and Regular System Supervisors. If no response of resolution is given to the inquiring TC within 1 hour, then disputes may be addressed to the Registrar for a final determination.

6. **PULLING RECORDINGS.**

General Recordings may not be pulled after documents have been delivered to BOC receiving clerks. This limitation does not apply to Project Recordings, as discussed in the Project Recordings section at the end of this agreement.

400341

7. **SPECIALS.**

- a. Only five (5) separate transactions for each TC may be presented each day for recordation (specials). Back-to-back transactions will be considered as one transaction. ~~Borrowing specials from other companies is no longer permitted.~~
- b. Each transaction must have the TC special number together with a general public number – said general public number will be limited to one per transaction.
- c. If entitled to be recorded, the transaction shall be recorded as of the time it is accepted.
- d. Specials may only be presented between 8:00 a.m. to 1:30 p.m.
- e. If a special recording is rejected, the TC will correct and will re-submit the document package for pre-check in the reject tray.
- f. The respective original TC special laminated number identifies the special recording.

8. **LIENS.**

All judgments, lis pendens and other miscellaneous liens will be batched separately and identified with a lien tag and submitted together with the pre-check documents at 3:00 p.m. on the day before recording. These lien documents will record after 10:45 a.m. on the next business day.

9. **ACCOMMODATIONS.**

TC's will be responsible for checking the recordability of Accommodations sent in for recording.

10. **MISCELLANEOUS RECORDINGS.**

- a. Two (2) Million dollar jobs will be recorded the same day if submitted by 2:30 p.m., provided notice is given to Receiving staff before 10:00 a.m. on the day of recording. If these conditions are not met, then the recording will go on with General recordings the next business day.
- b. This advance notice requirement also applies to transactions with exhibits containing references to an excessive number of certificates or multiple-documents to be checked.
- c. Title companies should contact the receiving desk to establish appropriate timetables for delivery, depending on the number of documents in the job.

11. **AR LETTERS.**

- a. An AR Letter will be used to request corrections to Land Court records.
- b. AR letters should be submitted BEFORE documents are submitted for recording, to have necessary corrections made.
- c. AR letters should be submitted as early as possible and BOC will complete request between three to five (3-5) days of receipt.
- d. Telephone calls should be made if an earlier response is necessary followed by the AR letter.

400342

12. **MAIL OUTS.**

- a. All documents presented for recording by a TC will be returned back to the TC for mail out.
- b. The TC's will pay postage costs.

13. **CHECKS.**

If a stop payment is placed on a check and the bank returns it to the Registrar, the Registrar will not accept any checks thereafter from the TC. Payments for recording will be made by cash, money order, cashier's check, or as agreed upon by the Registrar. The Register of Conveyances may waive this requirement depending on the circumstances.

14. **INTENT.**

It is the intent of all the parties to this Agreement to bind any and all future Title Companies (to the extent permissible under Hawaii Law and BOC Administrative Rules), which may be established to do business within the State of Hawaii, within the terms, and statements set forth herein. **This agreement is intended to be used as a guide to facilitate the recording process and foster a working relationship beneficial to the general public, and TC's which serve the general public.**

15. **TERMINATION.**

This agreement may only be terminated or amended upon written agreement from a simple majority of the TC's and the BOC.

16. **ORIGINAL AGREEMENT.**

One original copy of this Agreement shall be retained in the Office of the Registrar of Conveyances in Honolulu, Hawaii and the other held by the President of the Hawaii Land Title Association.

17. **BREACHES OF THIS AGREEMENT.**

A compliance committee comprised of 3 members from the BOC and 3 members of TC's will resolve any alleged breach of this agreement. In case of tied votes concerning the alleged breach, the Registrar shall cast a 7th and deciding vote.

400343

Signed and dated this _____ day of _____, 2005.

BUREAU OF CONVEYANCES

BY: Register of Conveyances

Title Company Name	Duly Authorized Signature	Date Signed
Fidelity National Title		
First American Title Co. Inc.		
First Hawaii Title Corp.		
Hawaii Escrow & Title, Inc.		
Old Republic Title		
Pacific Title, LLC		
Security Title Corporation		
Title Guaranty		
ITC		
PACIFIC ACCESS		

INTEGRITY
OWNERS TITLE

400344

PROJECT AGREEMENT

PROJECT OR BULK RECORDINGS

1. Project/bulk recordings consist of jobs with a minimum of ~~10~~⁽²⁵⁾ documents. Two day advance pre-check requirements still apply to Project Recordings.
2. If documents are to be recorded in a specific order, TC's are to number documents beginning with No. 1 next to their logo.
3. Provide a worksheet listing according to recording order, Job No., Apt. /Lot No., Conveyance Tax Amount, Recording Fee Amount with totals at the bottom of each column.
4. Checks are to be batch-wrapped with a tape of the total. All projects or bulk recordings will be issued a short receipt (first and last document number and totals of conveyance tax and recording fees.)
5. All documents will receive an 8:01 am time and will be the first recordings of the day.
6. Project or bulk recordings will be submitted according the following chart:

<u># of Documents</u>	<u>Days **</u>	<u>Lease/Fee</u>
1-10	1 pre-check	
11-50	2	3
51-100	3	4
101-150	4	6
151-200	5	7
200 +	Special arrangements with BOC	

***A day is defined as twenty-four (24) hours; two (2) days would be forty-eight (48) hours. The time is determined from the pre-check time of 8:30 am. Documents submitted at 8:30 am on Monday will be have met the 2 day requirement on Wednesday at 8:30 am and recorded on Thursday at 8:01 am. A day is further defined as "working" day and does not include holidays and weekends.*

7. Weekly project schedule sheets can be obtained from the Bureau and should be faxed or hand delivered with information reflecting projected closings and dates.
8. Caps may be placed on certain recording dates due to bulk recordings in excess of 200 documents. Alternative dates will be offered as close as possible to the requested recording date.
9. Any rejected document batches in the amount of 1-10 may be resubmitted on the date of rejection through 9:30 a.m. Rejected document batches of 11 and over, BOC staff will advise the TC of rejections no later than 11:00 am 2 days before recording. TC's will be allowed to re-submit at this time.
10. The pull deadline is 2 (two) days prior to recordation before 2:30 p.m.
11. Greenies should be separated from the worksheet and returned to the title companies so they can call in clearances no later than 8:00 am on the day of recording.

400345

12. TC will take responsibility for the documents being submitted for recordation to be in compliance with the recording requirements for both regular and land court systems. In the event that any corrections/revisions are necessary to be made it will be the responsibility of the TC to obtain the necessary amendments.

GENERAL PUBLIC RECORDINGS

1. Hours to record are 7:45 a.m.-3:45 p.m.
2. General public walk-ins will receive recordation times after 8:01 a.m. with general public running time.

Signed and dated this _____ day of _____, 2005.

BUREAU OF CONVEYANCES

BY: Register of Conveyances

Title Company Name	Duly Authorized Signature	Date Signed
Fidelity National Title		
First American Title Co. Inc.		
First Hawaii Title Corp.		
Hawaii Escrow & Title, Inc.		
Old Republic Title		
Pacific Title, LLC		
Security Title Corporation		
Title Guaranty		

400346

TITLE ASSOCIATION AGREEMENT (suggested amendments)

PRECHECKS

Documents need to be separated as follows:

Regular System

Land Court System – Issuances, Non-Issuances and Land Court Orders

Double System – (same as Land Court)

Back to Back recordings need to have separate fees for each consecutive job-

Ex: 1st - TG – A/L, Deed (attach fees), 2nd - OR – Mortgage (attach fees),

3rd - TG – A/M & Subordination (attach fees)

RESUBMITS

1. Only INVALID rejections may be resubmitted until 9:30 am. This will allow receiving clerk to address the general public in a timely manner.
2. Rejected documents need to be submitted by 9:30 am everyday (& 10:30 am on the last day of each month). Accommodation jobs will not be allowed to be resubmitted (unless the Title Company wants to use their special number) Only (3) transactions may be resubmitted per Title Company with (1) general public number. Recorder will need to wait until documents have been checked before another number may be pulled. Only (6) rejected jobs may be submitted per Title Company per day. The receiving clerks need time to address the general public and do their work.
3. DO NOT HAVE CLIENTS CALL THE BUREAU. The Bureau will only work with the Title Companies.

PULLING RECORDINGS

1. We need to do away with PULLED recordings. Faxed pulls sometimes come in with the wrong job numbers, wrong recording system, etc. The receiving clerks spend a lot of time looking for pulled recordings when they could be concentrating more on checking the documents for 8:01 and they could start to Time & Number the documents for the next day.

400347

2. Pulled jobs must be faxed by 1:00pm. Non-receipt of funds will not be considered a reason for pulling a recordation. Cancellation of a pull request no later than 2:00pm.
3. Pulled jobs must be faxed by 12:00 pm. Non-receipt of funds will not be considered a reason for pulling a recordation. Cancellation of a pull request no later than 12:00pm. There will be a pull charge of \$25 per document and another \$25 per document to cancel the pull request.
4. Pulled jobs must be faxed by 1:00pm. Non-receipt of funds will not be considered a reason for pulling a recordation. Cancellation of a pull request no later than 1:00pm

SPECIALS

1. Only (3) separate transactions from each Title Company may be presented each day for "Special" recordings. Specials may be submitted between 8:00 am to 10:30am. Million Dollar jobs above \$20 million will not need a Special number and may be submitted for recording no later than 2:00pm (make sure the receiving clerks have a courtesy call by 10:00 am with the document count). The receiving clerks need enough time to check the documents.

LIENS

1. All judgments, lis pendens and other miscellaneous liens NEED to be identified with a lien tag and presented the same time as the prechecks. Liens will be recorded after 10:30 am.

PROJECTS OR BULK RECORDINGS

1. Jobs that consist of a minimum of 15 documents must be submitted 72 hours prior to anticipated date of recordation. Submittals in excess of 100 documents must be submitted 120 hours prior to anticipated date of recordation. All valid documents will receive an 8:01 recording time.
2. Submittals in excess of 75 documents must be submitted 96 hours prior to anticipated date of recordation. Submittals in excess of 100 documents will require confirmation by the 1st-Receiving Supervisor, 2nd-Branch Chief or 3rd-Registrar for the next available date of recordation.

ALL PROJECT OR BULK RECORDINGS MUST BE IN BATCHES OF NO MORE THAN 25 DOCUMENTS. All documents must be numbered beginning

400348

with (1), provide a worksheet listing for each batch - according to recording order, Job No, Apt/Lot No., Conveyance Tax Amount, Recording fee amount and Totals at the bottom of each column. Each batch needs to have their own recording fees and a sort receipt of the totals.

POSTAGE

The Bureau no longer needs payment for postage. The documents are now returned back to the Title Companies to return to clients.

**IF NO COMPROMISE CAN BE MET ON A NEW AGREEMENT,
WE SUGGEST TO REVERT TO ORIGINAL SIGNED AGREEMENT.**

**OTHERWISE, NO AGREEMENT WILL BE IN EFFECT AND ALL
DOCUMENTS TO RECORD WILL BE MADE OVER THE COUNTER IN
THE SAME MATTER AS THE GENERAL PUBLIC.**

(3 transactions per general public number)

400349

AGREEMENT

This is a mutual Agreement of daily recording procedures between the undersigned Title Companies in the State of Hawaii and the Registrar of Conveyances of the State of Hawaii.

DEFINITIONS. *Unless it is plainly evident from the context that a different meaning is intended, in this Agreement:*

1. *"Registrar" means the Registrar of Conveyances, State of Hawaii.*
2. *"Assistant Registrar" means the Assistant Registrar of the Land Court of the State of Hawaii in the Bureau of Conveyances.*
3. *"Record" means to record in accordance with Chapters 501 and 502 of the Hawaii Revised Statutes and Rules of the Land Court, and the administrative rules of the Department of Land and Natural Resources.*
4. *"TC" means any and all of the undersigned Title Companies in the State of Hawaii.*
5. *"Transaction" means the number of documents presented for recordation to transfer, lease, mortgage or deal with a single apartment, lot or loan.*

PURPOSE. *This Agreement shall be liberally construed and applied to promote its underlying purposes, which are:*

1. *To insure the recordation of documents by the Registrar or Assistant Registrar in order of their receipt whether by mail, in person, or from TC's.*
2. *To facilitate the work of the Registrar and the Assistant Registrar through cooperation of the undersigned TC's in recording all of their documents at the beginning of each day.*
3. *To permit the Registrar and the Assistant Registrar to provide an alphabetical Daily Entry Record each morning, of all previous day's recordings.*
4. *To record the TC's documents in accordance with the conditions of this Agreement, at 8:01 A.M. each work day, thereby providing them with priority protection against encumbering documents which may be recorded after 8:01 A.M. each day.*

TERMS. To carry out this Agreement the undersigned TC's and the Registrar both agree to the following:

1. **Pre-Checks.** All TC documents which are intended to be recorded at 8:01 A.M. will be presented for recordation by the TC's not later than 8:30 A.M. the day before recordation, and if entitled for recordation, will be recorded at 8:01 A.M. the next business day. Back-to-back transactions will be presented by the TC with the highest recording priority. The TC's are responsible for preparing and observing a recording schedule and the Registrar will service each TC in accordance with the schedule. Documents are to be separated into two categories - accommodations and regular recordings.
2. **Resubmits.** Any rejected document may be resubmitted on the date of rejection through 10:30 A.M. Accommodations, if rejected, will not be allowed to be resubmitted. Three transactions being resubmitted must have a general public number attached. Only one general public number may be taken at a time. Once the transactions have been checked and a receipt issued, then the recorder can take another general public number. 9:30
3. **Pulling Recordings.** Pulls will only be allowed if the priority of recording for a TC is jeopardized. Non-receipt of funds will not be considered a reason for pulling a recordation. TC must fax their request to the Bureau of Conveyances by 3:00 P.M. for the recording packet to be pulled. The Bureau of Conveyances will accept faxed instructions for the cancellation of a pull request up to 4:30 P.M. the same day. Each TC must have substitute documents available to replace those documents that are not entitled to recordation. Documents may be recorded as a "special" but each TC will still only be allotted three (3) specials per day. 1:00
4. **Specials.** Only 3 separate transactions from each TC may be presented each day for recordation (specials). Back-to-back transactions will be considered as one transaction. Each transaction must have the TC special number together with a general public number--said general public number will be limited to one transaction. If entitled to be recorded, the transaction shall be recorded as of the time it is accepted. Specials may only be presented between 8:00 A.M. to 10:30 A.M.
5. **Liens.** All judgments, lis pendens, and other miscellaneous liens will be identified with a lien tag. These documents will record after the 8:01 A.M. documents and can be submitted up to 10:30 A.M.
6. **Walk Ins.** All parties to this Agreement will abide by the provisions set forth, and discourage all attempts by their clients to "walk in" documents for recordation. Abuse of set procedures in this regard will result in the following action by the Registrar:
 - a. **First offense:** suspension of any "specials" for the offending company for a period of 10 working days.

- b. *Second offense: suspension of any "specials" for the offending company for a period of one calendar month commencing the day following the infraction.*
- c. *If further offenses occur: the agreement itself may be placed in jeopardy and a special meeting of the Hawaii Land Title Association and the Bureau of Conveyances will be necessary to resolve the issue.*

It is recognized that no documents are the property of the escrow or title company, and cannot be withheld from the client if so demanded. It is also agreed that the title company will notify the Bureau of Conveyances in the event the title company suspects the client may attempt to record any such documents as "general public". It is recognized by all parties that open communication is the best method for resolving disputes or problems.

- 12 15
7. *Projects or Bulk Recordings. These consist of jobs with a minimum of 25 documents. Projects or bulk recordings must be submitted 48 hours prior to the anticipated date of recordation. If documents are to be recorded in a specific order, TC are to number documents beginning with number 1 next to their logo, provide a worksheet listing, according to recording order, Job No., Apt/Lot No., Conveyance Tax Amount, Special Mortgage Recording Fee Amount, Recording Fee Amount, and Totals at the bottom of each column. Checks are to be batch wrapped with a tape of the total. All projects or bulk recordings will be issued a short receipt (first and last document number and totals of conveyance tax and recording fees). All documents will receive an 8:01 A.M. time and will be the first recordings of the day.*

120

Submittals in excess of 100 documents must be submitted 72 hours prior to the anticipated date of recordation. Submittals in excess of 150 documents will require confirmation by the Registrar for recordation.

100

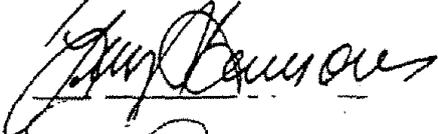
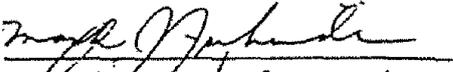
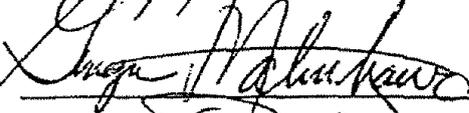
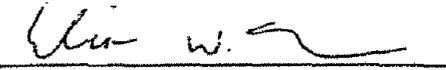
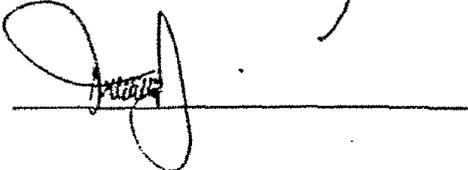
8. *Postage. Postage is to be identified on a master list/sheet at the rate of \$ 0.40 per document payable on the third workday of the following month.*
9. *Checks. If a stop payment is placed on a check and the check is returned by the bank to the Registrar, the Registrar will not accept any checks thereafter from the TC and payments for recording will be made by cash, money order, cashiers checks, or as agreed upon by the Registrar.*

INTENT. *It is the intent of all the parties to this Agreement to include any and all future Title Companies which may be established to do business within the State of Hawaii, within the terms and statements set forth herein. However, nothing in this Agreement shall have any legal force or effect upon any signatories or parties to this Agreement nor is it intended to circumvent, supplant, violate, contradict, or to otherwise transgress any provision of law, statute, rule, order of Court, or like laws or regulations whatsoever.*

TERMINATION. The Registrar reserves the right to terminate this Agreement at anytime upon giving notice to all TC's in writing.

ORIGINAL AGREEMENT. The original copy of this Agreement shall be retained in the Office of the Registrar of Conveyances in Honolulu, Hawaii.

Signed and dated at Honolulu, Hawaii, this 28 day of July, 1994.

<u>Company</u>	<u>Duly Authorized Officer Signature</u>	<u>Date Signed</u>
Bureau of Conveyances		<u>7-28-94</u>
First American Title Co. of HI, Inc.		<u>8-11-94</u>
First Financial Title Agency of HI, Inc.		<u>9/8/94</u>
First Hawaii Title Corporation		<u>8/15/94</u>
Hawaii Escrow & Title, Inc.		<u>9/2/94</u>
Island Title Corporation		<u>8-12-94</u>
Long & Melone, Ltd.		<u>7-28-94</u>
Old Republic Title & Escrow of HI		<u>7/28/94</u>
Security Title Corporation		<u>8/12/94</u>
TI of Hawaii, Inc.		<u>8/30/94</u>
Title Guaranty of Hawaii, Inc.		<u>8/14/94</u>

AMENDED AGREEMENT

We, the undersigned, agree to amend that certain Agreement dated July 28, 1994, by and between the undersigned and the Bureau of Conveyances of the State of Hawaii, as follows:

With respect to Paragraph 3:

"3. Pulling Recordings. Pulls will be allowed of any document up to 12:00 Noon of the working day prior to recordation. TC must fax their request to the Bureau and be prepared to furnish substitute documents in the event the pulled document(s) must be replaced. Documents pulled for lack of funds may be resubmitted for recordation up to 2:00 PM of the working day prior to recordation if those funds are received after 12:00 Noon of that day."

With respect to Paragraph 5:

"5. Liens. All judgments, lis pendens and other miscellaneous liens will be batched separately and identified with a lien tag and submitted together with the pre-check documents at 8:30 AM. These lien documents will record after 10:45 AM."

Company:	By:	Date:
Bureau of Conveyances	_____	_____
Fidelity National Title/Insurance Co.	<i>[Signature]</i>	3/7/95
First American Title Co. of Hawaii, Inc.	_____	_____
First Financial Title Agency of HI, Inc.	_____	_____
First Hawaii Title Corporation	_____	_____
Hawaii Escrow & Title, Inc.	_____	_____
Island Title Corporation	_____	_____
Long & Melone, Ltd.	_____	_____
Old Republic Title & Escrow of Hawaii	_____	_____
Security Title Corporation	_____	_____
T I of Hawaii	_____	_____
Title Guaranty of Hawaii, Inc.	_____	_____

400354

Hawaii Land Title Association

733 Bishop Street • Suite 2700 • Honolulu, Hawaii 96813

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Subject: "Department of Land and Natural Resource, Bureau of Conveyances,
Operation Review Project, Findings and Recommendation Report,
June 2005"

The Board of Directors of the Hawaii Land Title Association, an association comprised of a majority of those title insurance companies who submit a majority of all land title recording transactions to the Bureau of Conveyances, having had the opportunity to read and review the aforementioned Operations Review conducted by Hoike Consulting, LLC, fully support the immediate implementation of all recommendations made and would also like to suggest the following order of priority be given to recommendations and matters disclosed with the report:

1. Section 4 – Findings and Recommendations: Organization and Staffing Recommendation #1 (p. 54)

Our organization supports the fact that the current staffing is not sufficient to carry out the primary responsibility of maintaining an accurate, timely, and permanent record system for title to real property.

2. Section 3 – Findings and Recommendations: Staffing, Procedural and Operational Functions, Operational Functions Recommendation #15 (p. 49)

Work with our organization and other real property related industries, in an effort to seriously consider all of the concerns and suggestions, both short and long term, made through the Customer Survey Feedback conducted during the study.

3. Section 4 – Findings and Recommendations: Organization and Staffing Recommendation #2 (p. 58)

Our organization strongly recommends that the Receiving sections of the Bureau of Conveyances be combined and staff be pooled under the supervision of one individual. Proper training and cross-training of all pooled employees be conducted in both recording systems to assure the best quality and service is provided to the customer.

400355

We would also advocate implementation of all recommendations made by Hoike Consulting, LLC within a reasonable amount of time. Our organization will continue to press for open and honest dialog between the Department of Land and Natural Resources, Bureau of Conveyances and our members.

We thank you for the opportunity to provide our input in these very critical matters.

Mahalo.

The Hawaii Land Title Association
By its President

Patrick D. Woods

Cc: All HLTA Primary Designated Representatives

400356

**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
BUREAU OF CONVEYANCES
Honolulu, Hawaii**

August 12, 2005

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Subject: Request for authorization to proceed with implementing the recommendations outlined in the "Department of Land and Natural Resource, Bureau of Conveyances, Operation Review Project, Findings and Recommendation Report, June 2005".

BACKGROUND

The Department of Land and Natural Resources, Bureau of Conveyances' responsibility is to maintain an accurate, timely and permanent record system for title to real property. The Bureau examines, records, indexes and microfilms over 344,000 Regular System and Land Court documents and maps annually. In addition, they issue Land Court Certificates of Title, certificate copies of matters of record and conducts UCC research requests. Hawaii is the only state that has a single statewide recording office.

The Bureau of Conveyances Operations Review Project was prepared in response to Section 61 of Act 200, Session Laws of Hawaii 2003, which requested the Department of Land and Natural Resources' Bureau of Conveyances to contract for a workflow study which shall encompass a review of all areas of the operation of the Bureau and include, but not be limited to evaluating the recording procedures, staffing, and performance so as to streamline the process to create efficiencies within the Bureau, recommendations by the consultant for changes to current job descriptions and identifying operational delays.

Hoike Consulting (Hoike) was chosen as the consultant for the project. Hoike and the DLNR Bureau of Conveyances (Bureau) staff completed the interview, documentation, review and analysis of the "AS IS" (current) processes in accordance with Phase 1 and also the "TO BE" (re-design) processes in accordance with Phase 2 of the Operations Review Project.

The final document, "Findings and Recommendation Report", was based upon workshop meetings, documentation, review, and analysis performed during Phase 2 of this project. This document identifies areas of "synergies" (to achieve more as a group or organization working together, than the sum total of each Section working on its own) within the organization and identifies operational improvement areas. It addresses recommended organizational structure, staff changes and performance level improvements.

400357

REPORT RECOMMENDATIONS

Operational Functions:

Recommendation #1: Changes to Process Flows

1. Implement best practice changes (any process or technique that, when executed, yields superior results both financially and competitively) identified during the re-design sessions.
2. Consider outsourcing certain functions that the Bureau performs.
3. Add missing internal control steps or reviews and/or eliminate non-value added procedures.

Recommendation #2: Mistakes and Missing Information by Receiving Clerks

1. Work with Receiving section and individual Receiving Clerks responsible for errors to address the issues or mistakes and missing information. Clerks need to be accountable for their errors. In addition, the
2. Implement an incentive or reward program for Receiving Clerks with minimal amount of errors/missing information.
3. Additional training for the Receiving Clerks so they are aware of mistakes and missing information that causes a delay in the process.

Recommendation #3: Duplicate Review Performed by Receiving and Review Sections

1. Determine and decide which data will be reviewed and verified by the Receiving section.
2. Determine and decide which data will be reviewed and verified by the Review section.
3. Eliminate current duplicate checks.

Recommendation #4: Issues identified with the Certificate of Title

1. Re-design the Certificate of Title document to be printed with a designated pre-allotted areas for the 'Cancel' stamp. The standard spot on the CT will reduce the time in clerks searching for an area on the document to stamp "Cancel".
2. Modify the system to automatically print the "Canceled stamp" instead of the staff needing to manually hand stamp the document.

400358

Recommendation #5: Non-Standardized Forms

1. Determine what should be the standard font type and size that will be easily readable and legible when scanned for image viewing and future document copies.
2. Standardize all DLNR Bureau of Conveyances forms to adhere to the standard font type and font size.
3. Communicate Form requirements to all customers, companies/corporations, attorneys, etc. and encourage them to modify their documents to adhere to the standards established. Utilize the website and post the announcement for the public bulletin board.
4. Investigate whether template documents can be generated for the public to use to not only standardize the font size but the forms. This would be optional for the public to use.

Recommendation #6: Difficulty in Locating Worksheets

1. Convert the worksheet into an electronic file that is located on the server for all authorized personnel to use. This will allow file sharing but also at the same time if one person is performing edits, the next user will have the 'read only' access.
2. Create a worksheet template with the basic elements needed that exist on the current worksheet. This can be the starting point for all the Worksheets with the same common structure and format.

Recommendation #7: Staff Changes to Abstract, Index and Input Data Process

1. Eliminate the review process by the Abstractor VI.
2. Staff who indexes has the ability to post batches. Abstractor V will have the ability.
3. Eliminate the step where the Abstractor VII posts the not verified batches. This step will be performed by the staff that does the indexing.
4. Staff this section appropriately so that the review function can be performed to reduce the data entry errors. However, there may be a time when the review is no longer necessary if error rates have decreased and the Bureau has a level of comfort that the data is accurate.

400359

Recommendation #8: Issues with the Film Cutting Process

1. Assess and analyze the reason for the long process to cut the film and determine if there are alternatives to shorten the time frame to run this process.
2. Determine whether the system can create the header for the film box by creating labels.

Recommendation #9: Issues with the Scanning Process

1. Investigate and determine the frequency of images that are poor in quality and require rescanning.
2. Determine if random checking is a viable option instead of checking every document.
3. Determine if quick reviews can be implemented to determine that image is legible and not skewed.
4. Service the scanner if it has not been serviced as cleaning it several times throughout the day is not a normal process to maintain a clear image without lines on the electronic image. Set up periodic scheduled maintenance for the scanner.
5. Determine if different cleaning solutions should be used to eliminate the need to clean several times during the day.

Recommendation #10: Issues Identified in the Request for Certified Copies Process

1. Create a "Tips" section on the website for the Bureau. This can inform the public requesting certified copies to sort the documents in document number order before submitting the request to the Bureau. In addition, requesting customers should also provide the document number when submitting requests as well.
2. If there are repeat customers requesting for certified copies, inform them to sort the documents in document number order before submitting the request to the Bureau in order to reduce the turnaround time.
3. Provide training to the Bureau staff on how to research the document number when only the tax map key is available/provided.
4. Investigate further with DLNR Accounting regarding what information is absolutely necessary to process the credit card requests. Possibly stop requiring copies of the front and back of the charge card as well as a copy of a picture ID.

400360

Recommendation #11: Research Requests Issues

1. When errors are noted in the indexing, action needs to be taken to address the problems so they do not occur again.
2. Inform staff of errors other wise they will continue to occur. The individual making the error should be aware of the errors and held accountable for the mistakes being made.
3. Consider developing standard abbreviations to use consistently by all indexers.
4. Improve the search engine in the system to allow for wildcard type of searches. For example, partial characters of the data entered will retrieve search results of records with those partial characters.
5. Modify the system and system on-line screen to allow the user to view all related historical and future document records listed under the document being queried.

Recommendation #12: Issues with Map Requests

1. Provide Will Call staff access to Survey's computer system to determine if the maps are already scanned instead of having to physically walk to the vault. Consider having the Bureau's system track this information.
2. Investigate further if Survey will accept the Bureau's form to request for copies of maps instead of having to also complete a Survey Form. Consider modifying the Bureau's form to contain necessary information that Survey requires. This would eliminate the time to complete two forms instead of just one form.
3. Review the logistics of the Will Call area and determine if additional space can be provided to customers viewing the maps.
4. Determine if map requests can be tracked electronically via the system instead of in a manual log book.

Recommendation #13: Pulling of Documents To Be Processed

1. Consider establishing a penalty for pulled documents. Charge the public a fee to pull a document. This may reduce the amount of documents pulled by the title companies.

400361

2. Discuss further with management of the title companies that there have been excessive "pulls". Should reiterate that before submitting that should be sure that those documents will be processed.

Recommendation #14: Other Receiving Section Issues

1. Discuss issue/problem with the title companies that are creating smaller batches as a workaround in order to get faster processing for a Project.
2. Determine if the numbers issued each week is still applicable to use.
3. Consider determining a new process where the Conveyance Tax Form is separated so that this will not be missed by the Cashier.

Recommendation #15: Customer Survey Feedback Issues

1. Investigate and address further the issues raised by the customers.
2. Explore whether recommended changes can be implemented.
3. Continue the open line of communication with customers so they may voice their needs and concerns to improve the Bureau.
4. Discuss possible changes/solutions with customers and staff in order to gain their support.
5. Hold roundtable discussions with customers as a forum to provide feedback and suggestions. This can also provide the opportunity for the Bureau to share with the customers ways to make the processing easier (share any errors of mistakes made during document submission).

Organization and Staffing:

Recommendation #1: Lack of DLNR Staff

1. Reevaluate the staffing for each of the sections and determine whether additional staffing is required.
2. Consider reallocating staff to different sections based on workload.
3. Consider pooling of staff so that they can perform multiple tasks/assignments and help address areas that are backlogged.

Recommendation #2: Separate Receiving Sections

1. Consider pooling staff and combining sections. For example, combine Receiving for Regular System and Land Court System into one Unit.

400362

2. Continue to keep the units separate, however, establish a procedure where staff assist the other section when they are short handed or backlogged.
3. Detailed procedures to be developed and followed by all staff in the section.
4. If pooling/combining sections occur, ensure staff are properly trained.

Recommendation #3: Lack of a Customer Service Section

1. Consider establishing a Customer Service Section, which will include the Will Call and any other Bureau staff. The Administrative Assistant can supervise the section.
2. Provide training to the Customer Service Section in order to provide better service to the customer.
3. Establish clear service level agreements in responding to Customer requests. By creating SLA's the public will be aware of turnaround times and have clear expectations of the Bureau. SLA's can be posted on the DLNR website for access by the public.
4. Cashiers to be moved to the Customer Service Section.
5. Consider having the Administrative Assistant the supervisor of the Customer Service section as this position currently supervises the clerical and microfilm sections.

Recommendation #4: Review and Update Mission Statements

1. Review and update the Bureau's Mission.
2. Review core values and validate with Bureau staff.
3. Enforce accountability and responsibility of functions and tasks.
4. Ensure SLA's established for each section support the Bureau's mission.

Recommendation #5: Separate Cashiers for Regular and Land Court

1. Consolidate the Regular and Land Court Cashier into 1 group. Consider placing this Cashier function under the Customer Service section.

Recommendation #6: Reorganization

1. Consider restructuring the organization.

400363

2. Provide customer service training to all Bureau staff.
3. Emphasize the importance of superior customer service.

Technology:

Recommendation #1: Website Enhancements

1. Enhance website to include information on how to prevent documents from being rejected.
2. Enhance website to include information on document standards.
3. Consider establishing an electronic repository for documents processed.
4. Enhance the Frequently Asked Questions (FAQs) information posted on the website.
5. Establish an on-line survey for customers to provide feedback to the bureau on service levels, website usage, the information posted on the website, etc.
6. Provide a terminology web page to define terms that the public may be unfamiliar with.
7. Provide a web page that briefly explains the overall recording process to the Customer.
8. Add additional search engine options to locate on-line information of records in the BC database such as Plat number, document number, etc.
9. Add a glossary of terms to assist the users of the website.
10. Add a holiday schedule to inform customers on the State Holidays that are observed by the Bureau.
11. Explore the possibility of electronic recordings (paperless office) by establishing Internet access where customers can complete forms for automated data entry and submission. Electronic records can reduce the normal recording timeframe.
12. Encourage customers to use the website to obtain information once the site is updated with the appropriate information. The State website is being enhanced to provide "One Stop Shop" services to the customer.

400364

Recommendation #2: Abstracting Section – System Issues

1. Modify the systems to provide the requested functionality. However, need to assess the overall impact and if the additional requirements will impact other system functionality and processing.
2. Ensure that corrections and edits made to internal systems are currently reflected on the website. Resolve the issues/problems for the corrections/edits not being reflected.

Recommendation #3: Review Section – System Issues

1. Modify the systems to provide the requested functionality. However, need to assess the overall impact and if the additional requirements will impact other system functionality and processing.

Recommendation #4: Receiving Section – System Issues

1. Modify the systems to provide the requested functionality. However, need to assess the overall impact and if the additional requirements will impact other system functionality and processing.
2. Evaluate and assess what causes the current system speed to be slow and take the necessary corrective actions to improve the system processing speed.
3. Research and determine the cause for images to be slow in being pulled up and make necessary modifications to the system (software or hardware) to resolve this problem.

Recommendation #5: Scanning Software Issues

1. Upgrading to the latest version in 2005.
2. Implement additional Kofax modules.

400365

RECOMMENDATION:

- 1) Authorize the Department to proceed with implementing the recommendations outlined in the "Department of Land and Natural Resource, Bureau of Conveyances, Operation Review Project, Findings and Recommendation Report, June 2005".

Respectfully submitted,

CARL WATANABE
Bureau of Conveyances, Administrator

APPROVED FOR SUBMITTAL:

PETER T. YOUNG, Chairperson

400366