

INK Board Minutes

Meeting Minutes
February 2, 2016

Opening

A meeting of the INK Board was called to order at 10:01 a.m. Tuesday, February 2, 2016 in 700 SW Harrison, 2nd Floor, Topeka, KS 66603 by Chairman Eric Rucker, representing Secretary of State, with the following members present:

Chuck Knapp, representing Lt. Governor Colyer

Matt Billingsley, representing the Secretary of Department of Revenue

Scott Hill, representing the Kansas Bar Association

Donna Shelite, representing Executive Branch Chief Information Technology Officer

Tim Metz, representing the Kansas Bankers Association

Greg Wamsley, representing Kansas Library Association

Members Not Present

Joseph Connor, representing Kansas Association of Counties

Tom Tunnell, representing the Kansas Grain and Feed Association

Others Present

Jim Hollingsworth and Duncan Friend of INK, Jim Minihan (by phone) of iMerge Consulting, Phil Elwood of Goodell Stratton Edmonds & Palmer, Shane Meyers, Scott Somerhalder, James Adams, Ashley Gordon and Tony McClain of Kansas Information Consortium, LLC, Kathy Sachs and Desiree Taliaferro of Kansas Secretary of State.

Non-Agenda Items Discussed

Rep. Blake Carpenter and Rep John Whitmer presented HB 2573 to the INK board. This bill is a transparency bill involving live streaming of certain legislative proceedings. Knapp stated it was important that we support the bill as the bill is consistent with what INK is all about in terms of transparency. The only concern Knapp addressed was the potential for amendments to be added to the bill. Rep Whitmer and Carpenter stated they would speak against any amendments. Their desire was to pass a CLEAN bill. Whitmer assured to the INK board the senate would pass the bill out unanimously. Chair Rucker stated his only concern with the bill was the language “shall provide ANY services.” Rep Whitmer stated we can amend to mutually agreed services. Chair Rucker asked if any INK board members had reservations of the board. Knapp stated it would be helpful

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if we testified in support of the bill. Chair Rucker stated revisiting the matter and who would be the appropriate spokesperson at the hearing when the board discussed New Business

Approval of Consent Agenda

Eric Rucker moved to accept consent agenda, Hill made the motion, seconded by Knapp. Motion Carried.

Approval of Minutes

The minutes of January 5, 2016, INK Board meeting were unanimously approved as distributed with one addition to include Greg Wamsley under members not present at the meeting.

Action Agenda

1. Kansas Business Center- Duncan Friend presented the background and proposed next steps on the Form Finder project. He recapped the main goals of Form Finder and presented some of the advantages of proceeding with a Commercial Off-the-Shelf (COTS) solution in terms of time to deliver, support, extensibility, and other factors. He then discussed a proposal to deliver Form Finder using Oracle Service Cloud, a modular, cloud-based service application that has hundreds of implementations nationally. The product would be configured and lightly customized by a systems integrator, Eventus Group, to meet Form Finder requirements. The timeline initially proposed by Eventus for implementation would be 6-8 weeks work, which would likely be finalized once the amount of time needed to gather and organize data on the state side was estimated. . The total cost is \$432,140, made up of 3 years of Oracle licensing for \$319,428 and a consulting agreement for \$112,712 with Eventus Group to configure and implement Form Finder using the Oracle Service Cloud product.

Chair Rucker asked for comment by the board. Billingsley asked if this would be an INK contract. Hill asked what this partnership would look like for further development of the KBC and asked if it using a single vendor for all of our sourcing benefited State agencies better. Minihan commented that this proposed solution allows us to move forward faster. Oracle already has a model framework like components on a factory shelf that can snap together. Hill asked if we don't move forward with Oracle, would we be saving \$500,000? Minihan answered that the INK board would spend the same without the standard support. Pay a little bit of premium but they have built the base product at no cost to the INK board. Sachs stated this also allows KIC to work on other services. Chair Rucker stated it was unfortunate Phil Wittmer wasn't able to attend meeting because he believe Wittmer would state this contract with Oracle is important to the infrastructure. Metz confirmed Chair Rucker's statement based on Phil's comments at a recent grant committee meeting. Next steps were to acquire funding, finalize the statement of work with Eventus, then begin planning and outreach to state agencies. Friend displayed a slide with a draft motion to increase the current balance of INK restricted funds currently set aside for the Kansas Business Center to \$525,000, with the excess representing a contingency of about 20% should unanticipated issues arise during the project. Knapp asked who would be responsible for drafting the IT contract? The group confirmed that it would be a contract with INK. Billingsley asked whether doing so

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would violate any other contracts. It appeared that it did not, but they could take a look at the KIC contract to make sure as well. Rucker solicited additional comments by the Board, but there were none. A summary of the resulting motion is included under New Business below.

Action Taken: None.

2. Grants Committee Update: Hollingsworth stated the INK Grants Committee had met and reviewed two grant requests: KPAT Accessibility Mobile Platform and Kansas Sentencing Commission request to upgrade their backend system. Members of the grants committee included: Phil Wittmer, Jim Miller, Kelly O'Brien and Tim Metz. Each of the requestors were asked to attend to present the grant request to the committee. After discussion with KPAT, the committee scored the grant with a 2.26. Hollingsworth reminded the board the scoring is based upon a 1, 2, or 3 rating based upon explicit criteria which are directly reflective of the INK statutes and strategic intentions added by the board. The scores reflect a Does Not Meet Expectations, Meets Expectations, and Exceeds Expectations respectively. The grants unanimously recommended funding of the KPAT request. The Kansas Sentencing Commission presented their grant request to the committee. There were deficits identified with the grant and the committee did not score the grant. However, the committee requested that the following notes be sent to the requestor:

- Fully support the Business Case
- Not a good fit for the INK mission, should consider applying for a Byrne grant
- Project should be reconsidered and Software-as-a-Service be evaluated
- Request does not appear to include the cost of the infrastructure software (e.g. Oracle db), infrastructure hardware (e.g., processing, storage, t/c), and operational costs.
- Strong belief the cost request is under-valued
- Committee members offered their time to review of the project's proposal.

Action Taken: Hill motioned to accept position, Wamsley seconded.
Motion passes unanimously without the Chair absent from the vote.

3. Emergency Application List Update- Shane Meyers presented to the board a continued discussion from last month regarding the active-active list. Items to discuss: What do we tackle first with modifying the applications? KIC spoke to ETS and began discussion of what it would take to get the entire list of applications in place. It appears this would require a lot of work on KIC to implement. KIC has decided to take the amount of work and break it down in small chunks for implementation.

Action Taken: None.

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4. Annual Audit Engagement Letter- Hollingsworth made a financial request to begin financial audit. Price for INK audit is estimated at \$16,000. Price includes: INK Financials audit and Contractual Audit. Hollingsworth recommended approval, but there was discussion as to if INK should pay for an audit every year.

Action Taken: Chair Rucker moved for a motion to sign the audit engagement letter, Knapp made the motion, Metz seconded. Motion passed unanimously.

5. INK 2016 Business Plan Approval- Shane Meyers presented a PowerPoint with an overview of the process to generate revenue. The strategy includes: Protect, Grow, Innovate and Evangelize. Discussion ensued as he discussed the goals. One goal was to secure at least one new funding during the year. KIC is always looking for opportunities for revenue generation. Myers reported they have hired a new project manager and they currently have an open project manager position that they are actively looking to fill. It was noted the officers aren't accurate and there were typos in the report. Hill stated he would support a motion to wait a month to adopt the plan until the board had time to review before approval.

Action Taken: Hill motioned to move agenda item to next month's board meeting, Knapp seconded. Motion passed unanimously.

6. Network Manager Contract Renewal-

The Board members discussed the Network Manager Contract Renewal. It began by confirmation of how the "rolling" contract period worked, and confirming whether or not the Board had approved the contract for renewal last year. Two consecutive failures to approve was a trigger in the contract. However, they confirmed that this is the first year under the contract for this provision. The information presented indicated that they had met the goals in the business plan. Knapp noted that we really needed to establish the other things we wanted to judge them on before we could begin holding them accountable for them. There was then the question of uptime. Minihan, by phone, asked a question about whether the figure had been met. This produced a discussion by members about uptime, including the types of outages that had occurred, SOS's experience with outages, and the significance of payment portal outages in terms of lost revenue. Hollingsworth indicated he understood that they had not met the uptime requirement and, thus, he struggled with a vote to extend. Myers disagreed, and Hollingsworth stated that he would have the board counsel look at the numbers and come up with an independent assessment. There was then some discussion about the idea of improvement in this area – like, perhaps a goal should be set – if there were five outages this year, then perhaps there should be four or less next year, or then we would opt to renew. Given the discussion of the board, Knapp moved to defer the decision until next month, Hill second, and the motion was unanimously approved.

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The board recessed for lunch at 12:26 p.m. Reconvened at 12:54 p.m.

7. Avamar Update- virtual machines, next step- conversation with NIC regarding VM Replication. Will update at next board meeting.
8. PAVS Update- Meyers presented the committee has been discussing fee increases, for DMV and District Court searches. KIC met with Lisa Casper and her team with DOR. KIC asked to come back with a proposal. KIC took lowest price point based on what they are offering. Middle of the pack numbers were 9.345 and 9.63. PAVS committee will take the same analysis and dialogue used to interact with DOR and will report to the board at the next meeting.
9. New business: The board readdressed the KBC Proposal to increase restricted amount in order to purchase oracle and any unused monies would go back to the revenue fund after the project.

Action Taken: Knapp motioned that the amount of restricted funds available for the KBC project including Form Finder be raised to \$525,000, with Wittmer and the Secretary of State to finalize the Oracle and Eventus Group contracts and present them at the next meeting of the Board for approval. Any funds left over once the project is completed would be returned to unrestricted funds. Tom Tunnell has joined by phone at 1:14 pm. Upon discussion, Knapp amended his motion to strike waiting until the next board meeting and revised the motion to say that as soon as the contracts have been finalized, the Board will convene for a conference call to approve. Metz-seconded. Motion passes unanimously.

At 1:19 p.m., Chair asked for board approval for executive session. Knapp moved the open meeting of the Information of Network of Kansas be recessed for a closed, executive meeting pursuant to Joint Rule 5 of the Joint Rules of the Senate and House of Representatives and subsection (b)(13) of KSA 2000 Supp. 75-4319, as amended by Section 2 of Chapter 190 of 2001 Session Laws of Kansas for the purpose of consultation with counsel for a period of 30 minutes, seconded by Knapp. Motion passed. At 1:50 p.m, Chairman Rucker announced executive session would be extended for an additional 10 minutes.

At 1:54 p.m. the board came out of executive session. Chairman Rucker announced no binding action had been taken.

Action Taken: Metz motioned to authorize INK counsel to meet with current Executive Director to discuss his continuing employment at the organization, Hill seconded, board passes unanimously.

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Agenda for Next Meeting

1. INK 2016 Business Plan Approval
2. Network Manager Contract Renewal
3. Avamar Update
4. PAVS Update

Adjournment

Billingsley moved to adjourn meeting, seconded by Wamsley. Meeting adjourned at 1:56 p.m. Next INK board meeting will be at 10:00 a.m. on March 1, 2016, at 700 SW Harrison Topeka, Kansas, 2nd Floor Conference Room.

Minutes submitted by: Desiree Taliaferro