

## **June 2018 INK Board – Special Teleconference Board Meeting June 13, 2018**

### **Opening**

A teleconference meeting of the INK Board was called to order at 2:00 pm by Kathy Sachs, representing the Secretary of State, with the following members present:

Lana Gordon, Secretary of Labor

Matt Billingsley, representing the Kansas Department of Revenue

Gregg Wamsley, representing the Kansas Library Association

Aaron Kite, representing the Kansas Bar Association

### **Others Present**

Duncan Friend of the Information Network of Kansas, Inc.; Grant Gordon, PayIt

### **Agenda**

#### **1. INK Grant Program – Review Grant Committee Report / Make Award Decisions**

Prior to the meeting, Friend had emailed out a document in pdf that reflected the findings of the INK grant committee regarding the three grant requests - titled “Spring 2018 INK Grant Analysis” (copy attached) and he used this to brief the members through the committee recommendations during the call.

#### **Governor’s Office Grant Request**

Friend emphasized that the scores for the Broadband grant reflected the scoring of only two of the four grant committee members, although three had attended in person and one, Donna Shelite, via phone. She had informed him via email shortly before the meeting that she would not have adequate cell coverage to call in, but passed on her comments and vote. Friend had responded to her that he didn’t think her vote could be cast in this manner, but that he would pass on the comments if she was unable to call in.

Friend talked about his understanding of the sentiment of the grant committee with regard to the MFII funding (\$225,000) which they seemed to have consensus on approving – he deferred to Sachs to speak about that – and the mapping (\$300,000), which they did not appear to support and about which there were several committee member comments included in the Spring 2018 INK Grant Analysis that had been distributed. It was discussed that, during the committee meeting, they called and talked to the Data Access and Support Center (DASC) head, Ken Nelson, a government organization headquartered at KU, about the mapping they had done in a previous effort at the state that had been taken over from Connected Nation. Friend provided some background. In around 2009, INK had provided a grant to Kansas, Inc. for work on broadband mapping, around \$200K, and then there was eventually some stimulus program money, he thought around \$5MM, that had been distributed to Kansas for a variety of broadband related activities.

Sachs said that at the end of the contract, for reasons that aren’t known yet, Commerce - who was running the project on the state side - had decided not to do business with Connected Nation and have the mapping performed by the DASC. The DASC had done it for a while but stopped when the money ran out about 4 years ago. So, the feeling was the they needed to find out what happened, it was still important work, and it was sort of not correct to throw that in, because it seemed like they were both imminent, but there is really only one project that was imminent.

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Billingsley asked if it was the feeling that the \$300,000 was the amount needed to complete what they did, if they stopped four years ago. Sachs answered that she didn't feel like there was such a thing as "complete" as she understood it. It was something you just kept up on – you keep checking to see as status changes. But, the statement to consider is if they are going to support that ongoing. If they are not going to – they are not aware of any grants available right now to get that done. That doesn't mean that it shouldn't be done – the question's already been asked.

Billingsley then asked what was at stake with the feds, how many million? Sachs wanted to clarify that the money that the \$225,000 would go toward qualifying for in August / September was \$4.5B and that was what the grant committee had recommended be funded 100%. She asked Friend if she was correct that they weren't aware of any funding available right now related to the other investment. Friend said that when we hear Connected Nation talk, there are a variety of programs in the hopper that relate to fixed broadband or fixed wireless, but that funding is not yet available – there are some loan programs and things like that in place. But, the connection between the map and the \$4.5B in funds - he is not aware of it. What he heard was that if the state can successfully mount a mobility challenge – in other words, they collect the data and the Governor files the challenge – and the challenge is accepted by the feds, and they say "oh, yes, that's correct, these areas in fact are eligible for some of this \$4.5B" then the feds administer a process to hold a reverse auction and try to find interested parties to build out that coverage. And the money, if it comes, he doesn't believe would come to Kansas itself or to Connected Nation, but it would come to the providers who would then build out that coverage. But, he continued, that's not been given in great detail.

Sachs discussion was to discuss the \$225K, then, in the same phone call, have a conversation about the \$300K. But, when they are mixed together in the same discussion, it gets kind of confusing. Sachs noted that they had asked Shelite in the committee if the Governor had a strong feeling about his and she said she was not aware of whether they did or didn't. Gordon thought he would be for it as he was bringing forward the Transparency initiatives and Billingsley noted that he had brought forward the grant request. Gordon asked what if they approved the \$225,000 and they had wanted both of them. Sachs confirmed the difference between the \$225,000 and the \$300,000. Billingsley asked if that was what the committee was thinking, if they needed more information on the \$300,000 or what Connected Nation did.

Sachs responded that the committee's recommendation was that the Board fund \$225,000 in full, in order to take part in and potentially get some of the funding if the challenge was successful. But, the committee saw no connection to the thing that was being said was important to do right away. The \$300,000 project has been on hold for four years, it has been at Department of Commerce, the DASC – did the Governor's office understand those differences. She continued that the grant was turned in on time, so for the Board to say that we would like to gather some more information, it seems reasonable. The reason that they moved forward, and they were having the special meeting, was the \$225K was needed to get a chance at that larger funding. So, that was the thought.

Gordon then asked if the Board was ready for a motion, or what was needed. Sachs asked for a motion.

**Action Taken:** Gordon moved to accept the recommendation from the grant committee to allocate the \$225,000 for the Mobility Fund Phase II project requested in the grant proposal. Seconded by Billingsley.

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**Discussion:** Sachs wanted to make one comment and offer it as a friendly amendment: If it is practical, the disclosure agreement should be with the State of Kansas versus Connected Nation. As there was a feeling that in case the State wanted to use this for analysis in the future without paying Connected Nation to do so, that might be important. Gordon thought that both she and Billingsley had to agree to that. Billingsley asked if they needed Board Counsel on that – and then next month, they could entertain that amendment. Friend stated he wanted to weigh in on a couple aspects, as he was involved in the first broadband project. In approving collection of the data via “driving” to support the challenge, he wasn’t sure that there were MOU’s established, since Connected Nation was collecting it. In the mapping, there would be some type of agreement. He is not sure if they have to sign anything to get the challenge going, but if so, they would need to be doing that right away, as it is a huge hurry up. If the Board tells them to make it that way, from a timeframe standpoint, Friend would have to be able to instruct them. What he will do, assuming it is approved, would be to write a letter for the chair to go to the grantee. So, if they thought about it, that would go to the Governor’s office and it would be him signing a contract with Connected Nation, not INK, so you could say something like “The Board recommends that wherever possible you negotiate that the data could be in the State’s hands” and if you worded that way, that’s the way you would do that – but he deferred to Sachs.

Gordon thought making the comment was a good one. Friend indicated he was open to how they wanted to approach that. Gordon agreed with Sachs it was prudent to advise them in the letter about that. So, there was a call for a vote on that friendly amendment, accepted by Gordon and Billingsley.

**Action Taken:** The amended motion was approved unanimously, adding to the motion approved above the advice to the Governor’s office that “where practical, any non-disclosure agreements signed as part of gathering information for the FCC Mobility Fund Phase II Challenge Process should be between the State and the relevant vendor to ensure ongoing availability of the data to the State.”

### **Kansas Historical Society**

Friend summarized what was contained in the report about the grant in the Spring 2018 INK Grant Analysis that showed all four grant committee members supporting funding. He noted that Sachs could also speak to the committee’s findings if there were questions. There were no questions from the Board.

**Action Taken:** Billingsley moved to accept the grant committee’s report on Kansas Memory and fund the request. Seconded by Gordon. There was no discussion and the motion was approved unanimously.

### **Kansas Human Rights Commission**

Friend summarized the report and said two members did not feel it met the needs of the INK Grant Program. He took it to be that all four members took this to be something that wasn’t really what the INK Grant Program was about and recommended not to fund it. Only one person scored it, so it is a little off. He deferred to Sachs if she had comments – she noted it was similar to the Board of Pharmacy request last year. It is back-end operations and not something the INK Board has wanted to start funding. Sachs reiterated that the committee report was only advisory and the Board could

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**Action Taken:** Wamsley moved to accept the committee's recommendation that the Kansas Human Rights Commission grant request not be funded. Billingsley seconded. There was no discussion. The motion was unanimously approved.

Friend briefly noted that the next meeting was scheduled for the day before the 4<sup>th</sup> of July.

### **Adjournment**

Meeting adjourned at 2:30pm. The next INK board meeting will be held at 10:00 a.m. on July 3, 2018, at 700 SW Harrison, 2<sup>nd</sup> Floor Executive Conference Room, Topeka, Kansas.

Minutes submitted by: Duncan Friend