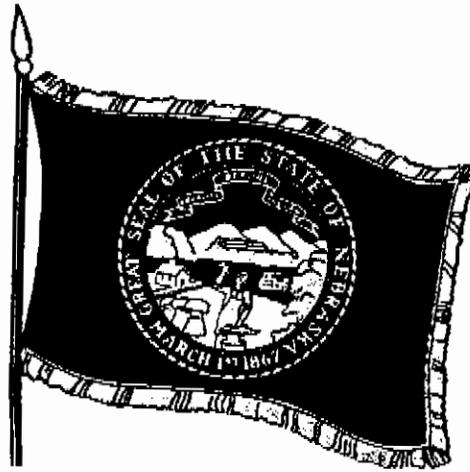


**NEBRASKA STATE RECORDS BOARD
MEETING: November 10, 1997**

Nebraska State Capitol
Room 1507
Lincoln, NE
November 10, 1997
8:30 A.M.

SCOTT MOORE
SECRETARY OF STATE

SUITE 2300 CAPITOL BUILDING
LINCOLN NEBRASKA 68509-4608
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STATE OF NEBRASKA
NEBRASKA STATE RECORDS BOARD
AGENDA
1510 STATE CAPITOL
NOVEMBER 10, 1997 - 8:30 A.M.

1. Call to Order, Roll Call
2. Adoption of minutes from October 24th meeting
3. ✓ Report on Proposal for Network Manager Services from the Technical Advisory Committee
4. Vendor Presentation and Question and Answer period (75 minutes)
(Nebraska Interactive, Inc.)
5. Vendor Selection
6. Discuss/Establish Procedure for Contract Negotiation
7. Miscellaneous Matters
8. Schedule Next Meeting
9. Adjournment

STATE RECORDS BOARD

MINUTES

Meeting of October 24, 1997

The meeting was called to order by Chairman Scott Moore at 10:05 A.M. on October 24, 1997, in Room 1507 of the State Capitol, Lincoln, Nebraska.

The following board members were present:

Scott Moore, Chairman;
Robert Luth;
Jeff Funk;
Don Dunlap, representing the Auditor of Public Accounts;
Mark Sutko;
Donald Stenberg;
John Dale;
David Heineman.

Not present were:

Yvonne Norton Leung, representing the Governor.
Craig Schroeder;
Jeanne Raznick;
Terry Harder.

The minutes of the meeting of October 8, 1997, were considered. Mr. Stenberg moved that the minutes be approved as circulated; motion seconded by Mr. Heineman.

Voting For:	Dale Moore	Dunlap Stenberg	Funk Sutko	Heineman
Voting Against:	None			
Not Voting:	Luth			
Absent:	Harder	Norton Leung	Raznick	Schroeder

The motion carried.

Greg Lemon, Deputy Secretary of State, presented the proposed Guidelines for Submission of Requests for Fee Based Electronic Access. During discussion, the following additions were proposed:

Item 9: At the end of the item add the following: ", including elements such as startup costs, equipment costs, and operating costs."

Add Item 10 to read as follows: "Estimates of volume of activity and anticipated revenue."

Mr. Funk moved to approve the proposed guidelines with the two additions shown above; motion seconded by Mr. Sutko.

Voting For:	Dale Luth	Dunlap Moore	Funk Stenberg	Heineman Sutko
Voting Against:	None			
Absent:	Harder	Norton Leung	Raznick	Schroeder

The motion carried.

The Chairman opened the public hearing on the Department of Motor Vehicles' application for fee based services, motor vehicle title and registration records. Cynthia Bowsman, legal counsel for the Department of Motor Vehicles, introduced and discussed this application. Keith Dey, information systems manager for the Department of Motor Vehicles, answered questions regarding this application. Sam Somerhalder, Nebrask@ Online network manager, presented a letter in support of the application from Ron Henningson of the Douglas County Daily Record. Bill Mueller, representing the Nebraska Collectors Association and Bob Dredge of the Ogallala Credit Bureau, supported the application. Bob Halstrom, representing the Nebraska Bankers Association, supported the application. Nancy Sherlock, manager of Nationwide Management Services, Inc., supported the application. After discussion, Mr. Funk moved that the application be approved as an addendum to the existing interagency agreement; motion seconded by Mr. Sutko.

Voting For:	Dale Luth	Dunlap Moore	Funk Stenberg	Heineman Sutko
Voting Against:	None			
Absent:	Harder	Norton Leung	Raznick	Schroeder

The motion carried.

William Miller, Administrator of the DAS Communications Division, presented a proposed RFP Evaluation scenario. The board discussed this scenario. No formal action was taken.

The Chairman announced that the next board meeting would be tentatively scheduled for 8:30AM, Monday, November 10, 1997.

Mr. Luth moved that the meeting be adjourned; motion seconded by Mr. Heineman.

Voting For:	Dale Luth	Dunlap Moore	Funk Stenberg	Heineman Sutko
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Voting Against: None

Absent:	Harder	Norton Leung	Raznick	Schroeder
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The motion carried.

The Chairman declared the meeting adjourned at 12:43PM.



Scott Moore
Chairman
State Records Board

Review of Response of Nebraska Interactive, Inc. to RFP for SCA-0099

By State Records Board Technical Advisory Committee
Dick Brown, John Carrioto, Keith Dey, Rich Kern, Jim Ohmberger

November 5, 1997

The response of Nebraska Interactive, Inc. was delivered to the members of the Technical Advisory Committee on Friday, October 31, 1997 and reviewed over the weekend. The committee members met on Monday, November 3, 1997 to review their findings.

The Technical Committee members agreed this RFP is unique. A different review approach would be required to evaluate a proposal of new software, a different hardware configuration, and a different staff than are now in place. Committee members have direct experience with the vendor and have observed the technical capabilities and work product of employees and the level of service provided by the bidder.

We conclude that the existing hardware, software, and staff are at least adequate for existing and planned activity of the network. The response to the RFP demonstrates that the bidder understands the network is in place to bring information and service to one place where it will be easily available to Nebraska's citizens.

Before starting the review, the committee members were concerned with two areas. The first is system response time, as users are frustrated by waiting. The RFP establishes a requirement of an average 5-second response time. The contractor's position is response time must be less than five seconds to assure satisfied customers, and has acquired equipment needed to stay ahead of demand. The Records Board should support this approach in the future as the contractor requests money for equipment upgrades. The Records Board should continue to review reports from the vendor to assure the response time does not exceed that standard.

The second major concern is backup and a disaster recovery plan. The backup plan is exemplary. Disaster recovery planning has done, and it appears the two to three weeks needed to recover from the complete destruction of the contractor's office is reasonable.

We were asked to check the references of bidders. Since we have worked directly with the only bidder in this situation, we felt our own evaluation is better than that of references. The committee agrees the personnel are well qualified and have performed well. References will be checked later as required by the evaluation criteria.

One member reviewed the Nebrask@ Online web site and was concerned that there were several sites 'under construction.' He called agencies and found the delays resulted from agencies themselves; Nebraska Interactive was prompt in completing its work.

We were asked to review Section 4 to be sure it complies with the Request for Proposals. The response meets the requirements of the RFP.

Report on reference checks

State Records Board technical committee

Telephone checks conducted Friday, November 7, 1997 by John Cariotto

1. Sam Clinch, Nebraska State Bar Association. Nebrask@ Online helped develop their website and maintains their home page on the Internet. They update the home page when needed. Their E-Mail service is through Nebrask@ Online. He is very satisfied with the questions on the questionnaire, awarding 3's and a 4. He says they have done an excellent job; he is very satisfied with the work of the Nebrask@ Online staff, support, and reliability of the system.

2. George Beattie, Nebraska Banker's Ass'n. Mr. Beattie, the listed reference, was in a meeting. I spoke with Kyle Bellamy, the MIS director. He said he has worked directly with Nebrask@ Online to house their web site. Nebrask@ Online has written special scripts, assisted with the construction of special functions, and so forth. He gives 3's and a 4 to the questions. He says Nebrask@ Online is very knowledgeable in the field and are quick to give insight about what could be done to improve the site. The work was done right the first time - they have experienced few problems. They are waiting for a couple of items to be completed, which he thinks may result from a lack of a contract with the Bankers Association and the fact Nebrask@ Online is not compensated for the work. He says the items are not a high priority and is not surprised an entity not paying for the work doesn't get the top priority.

3. Carol McClelland with the Independent Insurance Agents of Nebraska. She says they are a non-profit trade association; members use their services. Nebrask@ Online developed a good home page, but their association opted to use the home page of the national organization as a matter of policy. Nebrask@ Online is their Internet service provider. She gives 3s and 4s in answering the questions. She says they do a good job and are easy to work with.

4. Sharon Priest of the Secretary of State's office in Arkansas, the chairperson of the Information Network of Arkansas. I had trouble ending this call because Ms. Priest was so enthusiastic and wanted me to know how terrific the organization is. Her committee is the equivalent of the State Records Board. She gives top grades to the questions. She says they are performing very strongly in Arkansas, receiving their first revenue check October 31 after signing the contract in July. She says they have won the confidence of the state's information system department and will handle all public access for the state.

She has her own information director and had to fill that job this fall. The Arkansas organization loaned her a technical person to help with interviews, leading to a selection she is very pleased with. I could go on and on. So could Ms. Priest.

5. Charles R. Warren, Information Network of Kansas chairperson. Mr. Warren was on the phone, so I talked to Tim Paris, one of the staff members. Mr. Paris is, if anything, more enthusiastic than Ms. Priest. He answered questions with all 4s, the top grade. He says he has heard no complaints from any subscribers, and he is in a position where he would expect to field

the complaints. Other private Internet service providers have been the source of many complaints. He says INK knows its mission and is enthusiastic. Its mission is to be the best ISP for government anywhere.

6. Jerry Sullivan, Executive Director, Access Indiana. Mr. Sullivan was out of the office so I talked to Kent Champagne, Business Manager. He reports Brad Bradley is the network manager and has done a stellar job. I thought the preceding two contacts were enthusiastic, but Mr. Champagne had near-religious fervor. He again answered the questions with the top grade. He says the network provider understands the working relationships, flows of services, and ways records can be made available in a more convenient format. They have recognized unique activities and have helped Indiana acquire trademarks, and have helped draft legislation to address problems such as digital signatures.

This provider was hired after reviewing their proposal and another from AmeriTech. After the contract was awarded, Indiana Interactive contacted Motor Vehicles and established the first fee service. They now have about 100 agencies, boards and commissions with Websites. Premium services include DMV and Secretary of State's records. Brad has been working very hard to market the service.

He says Indiana Interactive has an excellent staff.

He talked about the DMV application. Paper driver records were supplied for \$4 in the past. They have tacked on a dollar and are supplying the records for \$5. He says the users of the service are delighted and find it very economical.

7. I tried to call Tom Bostick, Georgia Net Authority, but could not reach him and was disconnected before reaching someone else. I was otherwise occupied and didn't regard the final call as a high priority. This was the last reference listed.

**GENERAL MANAGER'S REPORT
NEBRASK@ ONLINE
OCTOBER, 1997**

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FINANCIAL REPORT
(NEBRASKA@ INTERACTIVE, INC.)

	1 MONTH ENDED <u>SEP. 30, 1997</u>	9 MONTHS ENDED <u>SEP. 30, 1997</u>
REVENUES	\$ 203,543	\$ 1,833,673
COST OF REVENUES:		
PAID TO STATE	136,590	1,226,600
OTHER	<u>11,908</u>	<u>54,675</u>
GROSS PROFIT	55,045	552,398
OPERATING EXPENSES	<u>42,808</u>	<u>437,626</u>
INCOME(LOSS) FROM OPERATIONS	12,237	114,772
OTHER INCOME(EXPENSE)	<u>293</u>	<u>(1,683)</u>
NET INCOME(LOSS)	\$ <u>12,530</u>	\$ <u>113,089</u>
VARIANCE FROM PLAN		\$ <u>12,190</u>

Revenue Contribution(Current Month)

.Dept. of Motor Vehicles(Batch) =	79.9%
.Dept. of Motor Vehicles(Inter) =	13.9%
.Sec. of State Services(Inter/Batch) =	4.3%
.Other (Agencies, Time, Subs., etc.) =	1.9%

Balance Sheet (09/31/97):

Current Assets	\$ 382,413	Current Liabilities	\$ 279,115
Fixed Assets	287,737	Long-Term Liabilities	0
Other Assets	<u>2,438</u>	Stockholders' Equity	<u>393,473</u>
	<u>\$ 672,588</u>		<u>\$ 672,588</u>

TECHNICAL PROJECT REPORT

<u>Project</u>	<u>Programmer</u>	<u>Estimated Completion</u>	<u>Status</u>
DMV / Explore project	Sam	10-01-97	Completed
Netscape Mission Control	Jeff	10-15-97	Completed
Information Resource Cabinet List	Sam	10-24-97	Completed
Corporation DB Updates	Sam	10-30-97	Completed
JUSTICE	Sam	Dec 96	Pending Approval
First Report - CICS	Sam	12-06-96	Pending Approval
Nebraska Liquor Control Commission	Jeff	10-30-97	Pending Approval
Local UCC Database	Ben	4th Qtr 97	In-Progress (95%)
Request for Copies	Sam	4th Qtr 97	In-Progress (90%)
Disaster Recovery Plan	Sam	4th Qtr 97	In-Progress (55%)
Title, Lien & Reg Interactive	Sam	11-15-97	In-Progress (80%)
Nebraska LEAD Alumni Site	Jeff	11-15-97	In-Progress (45%)
Title, Lien & Reg Special Requests	Sam	11-15-97	In-Progress (20%)
Netscape Enterprise 3.0 Upgrade	Ben	12-01-97	In-Progress (20%)
LDAP Server Install	Ben	12-01-97	In-Progress (20%)
Nebraska Bankers Association Search	Sam	11-10-97	In-Progress (10%)
Customer Database/Utilities	Ben		On Going
NCLE Updates	Jeff		On Going
Product Support	All		On Going
Board of Public Accountancy	All	'97	On-Hold (50%)

DMV / Explore project Explore, a private corporation based in Minnesota, signed an agreement with the Department of Motor Vehicles which will allow them to get conviction updates on a specific list of driving records. We are the gateway between DMV and Explore for this service. It works much like the current batch motor vehicle record service that we currently provide in that Explore uploads a list of driving records to our server once a month and we make the requests and send them back a file containing only the new convictions for those records for the current month.

Netscape Mission Control We have received the latest version of the Netscape Browser (version 4.0). We have finished configuring it for our system and plan to make it available on a request basis via floppy or CD. The decision to ship only by request is due the the size of the software (14 floppy disks) and the fact that not all customers have CD-ROM drives on their machines.

Information Resources Cabinet List We have set up a mailing list for the Information Resources Cabinet so that they can discuss their proposed policies, draft reports and other activities related to the IRC.

Corporation DB Updates The Secretary of State Corporation database is being extended to include officers and business address. Changes have been made to the local database and update procedures so that this information is available to our batch and special request customers as it becomes available.

JUSTICE: We are hopefully in the final approval stage for the JUSTICE project. It should be the fourth quarter of the year before we implement this service. All five services have been completed. Key service and search items are listed along with their individual status below.

- **Case Inquiries** - Includes the General Index which allows the user to select a set of cases based on search criteria. After cases are selected, a case inquiry produces a report on each case. The format varies for different case types.
- **Judgment Inquiries** - This includes the judgment index, which allows the user to select cases which have judgments. There will probably also be a link from the case inquiry report.
- **Associated Case Information** - Includes associated parties, balances due, documents related to a case, and inheritance tax information. These items will probably be linked from the main case inquiry report.
- **Probate** - Includes an index into the wills and inquires about selected wills. Claimants and amounts against an estate are included.
- **Bonds** - Includes bond inquires and lists of all bonds associated with a case.

First Report - CICS We have completed the Workers' Compensation Court First Report CICS interface. It is currently waiting for approval from the Workers' Compensation Court. The First Report system allows users access to Workers' Compensation Court First Report filings by searching on case number, name, date and social security number. The First Report database includes a single first report (form 1) and multiple compensation and expense reports (form 4) for each case selected.

Nebraska Liquor Control Commission: We have helped the Nebraska Liquor Control Commission convert many of their forms and pamphlets to HTML and PDF. You can also order various forms online and search their database of current liquor licenses. We have also created an 'intranet-like' application which allows the Commission to make additions and updates to their online database via a web form.

Local UCC Database: We are continuing to work on establishing a local copy (on NOL's server) of the UCC database which will be kept current via nightly updates. The local UCC database will be invaluable in improving and enhancing current UCC services. We need to ensure ourselves we will be able to maintain an accurate database using the nightly updates. We are still working out a few special case scenarios.

Requests for Copies: This service will allow Nebrask@ Online customers to order copies of documents from the Secretary of State. Requests for copies will be passed along to the Secretary of State's office via a new electronic mail program. We expect to make the service available in the fourth quarter of '97.

Disaster Recovery Plan: We are currently working on creating a comprehensive disaster recovery plan. As a part of this, we are identifying key points of potential failure and are formalizing backup plans of operation, including a step by step sequence of equipment and services that need to be ordered, along with contact information and approximate order times.

Title, Lien & Reg Interactive Progress has been good and we are nearing completion of the DMV Interactive Title, Lien and Registration application. Soon customers will be able to receive Title, Lien and Registration information online in a manner similar to the existing driver's license application.

Nebraska LEAD Alumni Site We have started working with the Nebraska LEAD Alumni Association to get their site up and running. They want to make their membership database available online. They also want to be able to make updates online to the database.

Title, Lien & Reg Special Requests We have started work on the DMV Title Lien and Registration special requests application. This service will allow customers to get 'Bulk' information about TLR based on different criteria such as registration date, county, etc. We hope to have this service available some time in November.

Netscape Enterprise 3.0 Upgrade We have installed the new Netscape 3.0 Enterprise Server (Web server) and are starting to evaluate the benefits of this upgrade. We hope to finish evaluation and move the new server into production in mid November.

LDAP Server Install The University of Michigan's Lightweight Directory Access Protocol (LDAP) package will be used in conjunction with the new Netscape Enterprise 3.0 server.

Nebraska Bankers Association Search We are in the process of setting up a search form for the Nebraska Bankers' Association Web Site.

Customer Database/Utilities We are always trying to improve the Customer Database and related internal and customer utilities. In this recent set of changes we have made changes that will allow for easier and faster reporting of customer billing information and internal reporting. These changes will also allow for better control of access to various information provided by state agencies and associations.

NCLE Updates NCLE seminars added this month:

- Evaluating Workers' Injuries Seminar

Product Support Product support includes a wide variety of phone calls fielded by our staff which cover topics from installing our software to troubleshooting hardware, software and network problems on the user's systems in relation to our services.

Board of Public Accountancy: The Board of Public Accountancy project has been put on hold.

We are working with the Board of Public Accountancy on their home page and other information. Current information resources completed are:

- Information about the Board of Public Accountancy
- Board Meeting Agendas/Minutes
- Title 288: Rules & Regulations
- Newsletter

Items yet to be done include:

- Calendar
- Mission Statement
- Licensing Requirements
- Uniform CPA Examination
- Application forms available for downloading/printing
- Address Change Form

The Board of Public Accountancy have ordered and received new PCs for their agency and hope to be able to reactivate this project in the October/November time frame.

MARKETING REPORT

NEW SERVICES:

.The Nebraska Liquor Control Commission's new web site was completed in October.

NEW CONTRACTS/AGREEMENTS:

.We signed a new Interagency Agreement with the LB693 Commission (Commission on Local Government, Innovation and Restructuring) and executed an agreement with the Executive Board of the Legislative Council to provide a copy of the current statutes from the Revisor of the Statutes office, for utilization by Nebrask@ Online.

PENDING CONTRACTS/AGREEMENTS:

.Contracts and/or agreements awaiting further discussion and/or signatures are in the hands of the following: Nebraska Accountability and Disclosure Commission, Governor's Office (Governors Youth Advisory Council), Nebraska Travel and Tourism, Nebraska R/Estate Appraiser Board, Nebraska Commission on Law Enforcement and Criminal Justice, Department of Environmental Quality, Nebraska Property Tax Division, and Nebraska Retirement Systems.

MEETINGS/DEMOS/ACTIONS:

.We signed an Interagency Agreement with the LB693 Commission (Commission on Local Government, Innovation and Restructuring) and are now preparing to provide initial web site development training to their staff.

.We met with the Nebraska Rural Development Commission and discussed making their database for Political Subdivision fiscal information available electronically, with search capability. They are providing us with a copy of their database which we will evaluate to determine the magnitude of the project. We would like to start working on this in the November/December time frame.

.We continued to meet with the Department of Motor Vehicles and continued to receive calls from the various industry specific representatives (credit bureaus, banks, county association, newspapers, etc.) with regard to the Federal Privacy Act which went into effect September 13, 1997, and the resulting impact this is having at the county level with regard to requests for Title, Lien and Registration information. We started working on a way to provide interactive access to this information, as well as special requests, in bulk, via Nebrask@ Online. The Department of Motor Vehicles submitted a request to the Nebraska State Records Board for allowing Nebrask@ Online to provide this service at a minimal fee level. The NSRB approved the request on October 24th and this service could be up and running in the mid-November, early December time frame.

MEETINGS/DEMOS/ACTIONS(CONT.):

.We met with a representative from the Governor's Youth Advisory Council and discussed the development of a web site. We provided an Interagency Agreement to be presented to the Governor's office and as soon as we receive the necessary approvals will help build a presence on the Internet for the Council.

.We met with the Nebraska Accountability and Disclosure Commission to discuss the development of a web site. We provided them with an Interagency Agreement, which they will review and get back to us with any questions. We hope to begin working with them in the November/December time frame.

.We have been working very closely with the Commission on Liquor Control with regard to their new web site and the way they want to offer their services. They completed their site and were ready to go live with it the latter part of October.

.The DAS Budget Division had asked us to give a presentation of Nebrask@ Online at their offices in October, which we did early in the month and was attended by 12-15 of their staff.

.We spoke at EXPO 97 at the State Capitol which was put on by the Nebraska State Government Chapter of the National Management Association. We gave a demonstration on Nebrask@ Online and discussed how we work with the various agencies. The presentation was attended by approximately 50 representative from various state agencies.

.We attended the Independent Insurance Agents of Nebraska Annual Convention where we set up an Exhibit Booth and were able to display and show the benefits of Nebraska Online.

.We attended the Annual Conference of the Nebraska State Bar Association where we set up our Exhibit Booth, held two hands on classes on how to use Nebrask@ Online and participated in a Nebraska Continuing Legal Education class on Legal Resources on the Internet. Getting in front of people and showing the advantages/benefits of the network is our best marketing tool, as we signed up several new subscribers.

.We spoke at the Nebraska Library Association Annual Conference and provided the Librarians with a look at all the information being provided through Nebrask@ Online which they can make available, in their respective communities, to the businesses and citizens that do not have or cannot afford their own P.C. or electronic access capability.

. We provided web site training to the Military Department (8 persons) plus established dates in the coming months to train personnel within the Military Department on how to use the Internet and E-mail.

MEETINGS/DEMOS/ACTIONS(CONT.):

.We attended the NACO (Nebraska Association of County Officials) Conference in conjunction with the Secretary of State's office and presented a centralized UCC filing approach that could be utilized by the counties throughout Nebraska. We were trying to demonstrate how they could utilize a P. C. or network terminal, in a Windows environment, and how simple it is to fill out the necessary information and transmit it to a central computer database.

.We attended an Executive Board of the Legislative Council meeting in October where they approved the request for Nebrask@ Online to utilize a copy of the Statutes in conjunction with the work we do with the respective state agencies.

.We met with a representative from the Division of Communications that is working on the Lieutenant Governor's State Technology Plan. We discussed the creation of a web site that can be used by the various community representatives on the State Technology Task Force to communicate their ideas and communicate with the many interested communities throughout the State of Nebraska. We hope to have the site ready for use in early December.

.We provided the Governor's office with training on how to put snow/storm emergency information on their web site without help from the NLC or NOL programmers. We hope to work with them on other information as soon as we receive a signed Interagency Agreement.

NEW/OUTSTANDING ISSUES

.The Nebraska State Records Board RFP(Rebid) for a Network Manager was issued September 12, 1997 and we (Nebrask@ Interactive, Inc.) completed and turned in our response/bid on the due date of October 30, 1997. We attended the bid opening on that same date and discovered NII was the only bidder. The Nebraska State Records Board hopes to have a Network Manager selected by November 14th.

. We are in the process of looking for new office space for Nebrask@ Online due to the uncertainties surrounding the building in which we currently reside. We will not make a long term commitment until we know the results of the Network Manager decision of the Nebraska State Records Board.

Respectfully Submitted,



Sam Somerhalder
Network General Manager