



## NEBRASKA STATE RECORDS BOARD

### MINUTES

#### Meeting of January 23, 2008

**Agenda Item 1. CALL TO ORDER, ROLL CALL.** The meeting was called to order by Chairman John A. Gale at 9:00 A.M. on January 23, 2008, in the Lower Level Conference Room, Executive Building, 501 South 14<sup>th</sup> Street, Lincoln, Nebraska.

A Roll Call was taken. The following Board members were present:

John A. Gale, Secretary of State, State Records Administrator and Chairman;  
Jerry Catlett, representing the Banking Industry;  
Brenda Decker, representing the Director of Administrative Services;  
Leslie Donley, representing the Attorney General;  
Mike Edgecombe, representing the Media  
Mike Foley, State Auditor;  
Timothy Loewenstein, Representing the General Public;  
Shane Osborn, State Treasurer;  
Lauren Riedesel, representing Libraries

Excused:

John Curry, representing the Insurance Industry;  
Tom Freimuth, to appear later, representing the Legal Profession;  
Lauren Hill, representing the Governor

Staff in attendance:

Kacey Nelkin Pedersen, Recorder  
Ron Moravec, Legal Counsel  
Cathy Danahy, Executive Director

**Agenda Item 2. ANNOUNCEMENT OF NEBRASKA OPEN MEETING ACT.** Chairman Gale announced that in accordance with the Nebraska Open Meetings Act, reproducible written materials to be discussed at the open meeting are located in the back of the meeting room. Also, a copy of the Nebraska Open Meetings Act is located in the back of the meeting room.

**Agenda Item 3. NOTICE OF HEARING.** Chairman Gale announced public notice of the meeting was given by posting notice in the Lincoln Journal Star newspaper on December 21, 2007, and the state's website calendar. A copy of the Notice and Affidavit of Publication by the printer is to be included in the Board records. A current copy of the agenda has been kept in the Secretary of State's office listing the date, time and location of the meeting.

**Agenda Item 4. ADOPTION OF AGENDA.** Mr. Foley moved to adopt the agenda; motion seconded by Mr. Loewenstein.

Voting For:	Catlett Gale	Decker Loewenstein	Donley Osborn	Edgecombe Riedesel	Foley
Voting Against:	None				
Absent:	Curry	Freimuth	Hill		

The motion carried.

**Agenda Item 5. APPROVAL OF MINUTES.** Ms. Donley moved to approve the November 14, 2007 meeting minutes; motion seconded by Ms. Decker.

Voting For:	Catlett Gale	Decker Loewenstein	Donley Osborn	Edgecombe Riedesel	Foley
Voting Against:	None				
Absent:	Curry	Freimuth	Hill		

The motion carried.

**Agenda Item 6. PUBLIC COMMENT.** Chairman Gale asked the members of the audience if anyone wished to come forward to provide public comment on any of the agenda items. No audience member indicated a desire to come forward.

**Agenda Item 7. CHAIRMAN'S REPORT.** Chairman Gale reported the Interagency Agreement between the NE State Records Board and Valley County for network management services was signed on December 4, 2007. Mr. Brent Hoffman, General Manager, Nebraska.gov, explained the agreement.

Chairman Gale reported Addendum One to the Valley County Agreement was signed on December 4, 2007. Mr. Hoffman explained the addendum.

Chairman Gale reported Addendum five between the State Records Board and the Nebraska Supreme Court was signed on January 7, 2008. Mr. Hoffman explained the addendum.

Chairman Gale reported the Contract Renewal Notification letter between the Nebraska State Records Board and Nebraska Interactive, Inc., renewing Service Contract Number NIS-5934 (04) commencing on February 1, 2009 and terminating on January 31, 2010 was signed by State Records Board Chairman Gale and Nebraska Interactive, Inc. President, Brent Hoffman, on November 16, 2007.

Chairman Gale moved to item 7. d. Independent Contractor Status. He explained this is in regard to the Visa rules and gave a general summary of the situation to date. He stated the issue of the two Department of Motor Vehicles addenda 7 and 8 (pending since August, 2007) have been resolved. They are no longer tiered or percentage fee structured. He said per every transaction, \$3.00 will be deposited in the State Records Board Cash Fund. Of the \$3.00 per transaction, \$.30 will be held in the State Records Board Cash Fund and Nebraska.Gov will bill monthly for their share,\$2.70 per transaction.

Chairman Gale emphasized the Board cannot move forward with the RFP process until the funding model is decided. The Secretary of State's Office views Nebraska.gov as an Independent Contractor, therefore not bound by Visa rules. The State Treasurer has deep concerns regarding this opinion. Mr. Moravec, general counsel, had nothing further to add. Chairman Gale requested the Board give instructions

in resolving the funding fee formula for the RFP, via a Subcommittee, consisting of the Board Chairman and the State Treasurer before the next Board meeting. Chairman Gale asked for other volunteers. Mr. Loewenstein volunteered. The subcommittee will meet before the next scheduled State Records Board meeting.

Mr. Freimuth arrived at 9:25 A.M.

Chairman Gale moved to Agenda Item 7, (e). Mr. Moravec introduced the 2009 Network Contract RFI/RFP (Request For Information/Request For Proposal) draft timelines and assignments report. Chairman Gale introduced Greg Lemon, former Chief Deputy Secretary of State, and explained his involvement in the last Network Contractor RFP process. Mr. Lemon gave a history of the evolution of the network manager process beginning with the NE Library Commission. He explained Nebraska Interactive was the first vendor, the consensus of the Board being a private contractor could assume the risk of development. After 15 years, 80% of the revenue is from the UCC Division of the Secretary of State's Office and the Department of Motor Vehicles Driver Records. The goal at the time was to find the best model to improve service delivery and agency efficiency. He said the proposed draft timeline and assignment report must ensure enough time for any network contractor to get up and running. He recommended certain types of expertise are necessary to carry out the RFI/RFP proposal: technical expertise; an understating of government services and their delivery; and privacy issues. He explained the necessity of an RFI; to put vendors on notice, to pinpoint areas that will need to be clarified and to gauge vendor interest. He explained the evaluation process is very detailed. He said in 2003 the initial six vendors were narrowed to three and the top three gave detailed demonstrations. The Department of Motor Vehicles, Secretary of State, State Treasurer, State Auditor and the Office of the CIO were represented on the selection committee. He said, in his opinion, it was a fair and open process. The timeline was discussed and determined it may need to be amended to allow enough time for vendors to respond.

Mr. Loewenstein moved to accept the proposed RFI/RFP Timelines and Assignments report; seconded by Mr. Foley.

Voting For:	Catlett Freimuth	Decker Gale	Donley Loewenstein	Edgecombe Osborn	Foley Riedesel
Voting Against:	None				
Absent:	Curry	Hill			

The motion carried.

**Agenda Item 8. SUBCOMMITTEE REPORTS.** Mr. Catlett introduced the Finances Review Subcommittee report recommendations to the Board. Regarding the grant process for state and local agencies, the Subcommittee report recommended the following: (1) The application should include the requirement of a costing breakdown and budget using line items matched against projected costs and include bids from vendors (if applicable); (2) Increase the maximum total amount that may be awarded as grants to state agencies and/or local government subdivisions during each Board fiscal year from \$200,000.00 to \$250,000.00; (3) To set the maximum local government subdivision grant at its current level of \$25,000.00 for collaborative projects and \$10,000.00 for single jurisdiction/agency projects; (4) The maximum state agency grant remain at \$25,000.00 as set by the Board at its September, 1999 meeting; (5) Authorize the Chair and Board staff to develop a memorandum of explanation to be included in all grant applications that, in addition to the information currently required in an application, sets forth the purpose of a Board grant and the basic requirements/criteria by which a grant will be reviewed; (6) Authorize Board staff to reject and return to a grant applicant an application that is incomplete, setting forth the area(s) in the application that is/are incomplete and allowing the applicant the opportunity to correct the incomplete application and resubmit for Board review; (7) Authorize the Chair to consent one time, without prior approval from the Board, to a requested grant completion deadline extension of up to six months. Further, subsequent completion deadline extension requests or initial requests of more than six months shall be

heard by the Board. Regarding second extension requests, Chairman Gale suggested they be tied to no more than two subsequent Board meetings. Finances Review Subcommittee Chair Jerry Catlett and Subcommittee member, Laureen Riedesel agreed.

Ms. Decker introduced the Technical Advisory Committee recommendations to the Board. The Technical Advisory Committee recommended the following: (1) The Committee’s view is that their role in the process is to review and provide comments and analysis on the technical elements of a grant application. The Committee does not comment or make recommendations on the merits of funding any grant application; (2) Revise the Board’s grant application form to include more detailed/additional budget information to enable the Committee to determine if the technical elements have been adequately considered and addressed by the applicant; (3) Require all grant recipients provide a report to the Board at the conclusion of their project, or portion of their project utilizing grant funds. These reports would document the successes and lessons learned from the various projects; (4) The report be posted on the Board’s website. The website could highlight successful grant requests and be a place to share Best Business Practices.

Mr. Osborn moved to accept the Finances Review Committee’s recommendations with the exception that the language (in #7 above) be changed from a 6 month requirement to two subsequent (Board) meetings and to direct the Board staff to develop the guidelines and a revised set of forms to reflect these recommendations ; seconded by Ms. Donley.

Voting For:	Catlett Freimuth	Decker Gale	Donley Loewenstein	Edgecombe Osborn	Foley Riedesel
Voting Against:	None				
Absent:	Curry	Hill			

The motion carried.

Ms. Donley moved to accept the Technical Advisory Committee’s recommendations; seconded by Mr. Foley.

Voting For:	Catlett Freimuth	Decker Gale	Donley Loewenstein	Edgecombe Osborn	Foley Riedesel
Voting Against:	None				
Absent:	Curry	Hill			

The motion carried.

Ms. Riedesel gave an update on the Board Training Subcommittee. She reported a manual is being developed for new member orientation and will be distributed to current members as well as a reminder of the current policies, documents, forms, etc. This manual will continually evolve for the benefit of all members and should be available mid-year.

Chairman Gale called a recess at 10:20 A.M.

Chairman Gale reconvened the meeting at 10:40 A.M.

**Agenda Item 9. GRANT APPLICATIONS.** Ms. Danahy introduced the Local grant application from the City of Bellevue for *The City of Bellevue Information Accessibility* project in the amount of \$10,000.00. Mr. Randy Critzer, Engineering Technician, City of Bellevue, testified. He indicated the money will be used for the purchase of a scanner. Ms. Decker reported that the Technical Advisory Committee recommended the Board require the applicant make reasonable efforts to create the data for this project in a format that is compatible with accessibility technology. She indicated that identifying what is being displayed through use of displaying metadata would satisfy the Technical Advisory Committee. Mr. Critzer assured the Board they will comply with this request and if they team with Sarpy County on this project eventually, they will continue to ensure the requirement. Mr. Critzer outlined the time frame as follows: 1. Funds will be expended as soon as approved to purchase the scanner; 2. All scanning should be complete within one year; 3. The public would have access to the records in 2 years.

Mr. Loewenstein moved to approve the grant, requiring a progress report on the project. Ms. Decker requested the inclusion of the accessibility issue as a requirement. Mr. Loewenstein agreed; seconded by Mr. Foley.

Voting For:	Catlett Freimuth	Decker Gale	Donley Loewenstein	Edgecombe Osborn	Foley Riedesel
Voting Against:	None				
Absent:	Curry	Hill			

The motion carried.

Ms. Danahy introduced the State Agency grant application from the Nebraska Library Commission for the *Nebraska Memories On the Road* project in the amount of \$2,300.00. Ms. Beth Goble, from the Library Commission testified. Ms. Goble indicated the funds requested are for the purchase of a laptop computer. Ms. Riedesel moved to approve the grant to include a report from the applicant in August, 2008; seconded by Mr. Catlett.

Voting For:	Catlett Freimuth	Decker Gale	Donley Loewenstein	Edgecombe Osborn	Foley Riedesel
Voting Against:	None				
Absent:	Curry	Hill			

The motion carried.

Ms. Danahy introduced the State Agency grant application from the State Treasurer (tabled from the November 14, 2007 State Records Board meeting) for the *NebraskaSpending.com* project in the amount of \$50,000.00. Treasurer Shane Osborn testified. Mr. Osborn distributed additional information on the project and indicated the funding request be changed to \$25,000.00 for Phase II of the project and the funds will be used to pay the contractor, Aijalon. He indicated ongoing maintenance of the project (\$2,500.00 per year) will be built into his budget and that he would not go outside government for funding. He confirmed the contractor's (Aijalon) work is in compliance with NITC standards and complies with records retention rules. Chairman Gale, as State Records Administrator, said the content remains the property of the State Treasurer.

Ms. Donley moved to approve the grant which shall include a report on the project at the end of the fiscal year; seconded by Mr. Catlett.

Voting For:	Catlett Gale	Decker Loewenstein	Donley	Edgecombe Riedesel	Foley
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Voting Against:	Freimuth
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Abstain:	Osborn
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Absent:	Curry	Hill
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The motion carried.

**Agenda Item 10. GENERAL COUNSEL'S REPORT.** Mr. Moravec explained the history of the Chairman's authority to sign contract and addenda which do not involve a change in user fees. He explained those contract and/or addenda which include user fees must be approved by the Board.

Mr. Catlett motioned to allow the Chairman to sign agreements and addenda which do not include user fees; seconded by Mr. Osborn.

Voting For:	Catlett Freimuth	Decker Loewenstein	Donley Osborn	Edgecombe Riedesel	Foley
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Voting Against:	None
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Abstain:	Gale
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Absent:	Curry	Hill
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The motion carried.

Mr. Moravec gave the State/Local Grant Status report and delivered the Reinvested Revenue Report. He requested the Online Property Tax Payment System/Multi-County project be removed from the Reinvested Revenue report at the request of the grantee and the funds in the amount of \$25,000.00 be unencumbered.

Mr. Loewenstein moved to remove the project and free the funds encumbered for the project and that the email from the Seward County Treasurer requesting termination of the project be part of the record; seconded by Ms. Riedesel.

Voting For:	Catlett Freimuth	Decker Gale	Donley Loewenstein	Edgecombe Osborn	Foley Riedesel
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Voting Against:	None
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Absent:	Curry	Hill
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The motion carried.

Mr. Moravec submitted the Nebraska State Records Board (NSRB) Cash Fund Balance report for approval. Mr. Loewenstein motioned to accept the NSRB Cash Fund Balance report; seconded by Ms. Donley.

Voting For:	Catlett Freimuth	Decker Gale	Donley Loewenstein	Edgecombe Osborn	Foley Riedesel
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Voting Against: None

Absent: Curry Hill

The motion carried.

Mr. Foley left the meeting.

**Agenda Item 11. NEBRAKSA.GOV REPORTS.** Mr. Hoffman presented an executive summary of the General Manager's Report. A discussion was had regarding the down time report. Ms. Decker and Mr. Hoffman will report back to the Board on this issue and the DNS server issue posed by Mr. Loewenstein. Mr. Hoffman presented the Project Priority Report for approval.

Ms. Donley moved to approve the Project Priority Report; seconded by Mr. Osborn.

Voting For: Catlett Decker Donley Edgecombe Freimuth  
Gale Loewenstein Osborn Riedesel

Voting Against: None

Absent: Curry Foley Hill

The motion carried.

Mr. Hoffman presented the hiring of Natalie Bacon, Project Manager, for approval. Mr. Loewenstein moved to approve the hiring of Natalie Bacon as Project Manager; seconded by Mr. Osborn.

Voting For: Catlett Decker Donley Edgecombe Freimuth  
Gale Loewenstein Osborn Riedesel

Voting Against: None

Absent: Curry Foley Hill

The motion carried.

Mr. Hoffman presented the 2008 Nebraska.gov Business Plan. After discussion, Mr. Loewenstein moved to table the 2008 Nebraska.gov Business Plan until the April, 2008 meeting to allow Mr. Hoffman to give more detail on the goals; seconded by Mr. Freimuth.

Voting For: Catlett Decker Donley Edgecombe Freimuth  
Gale Loewenstein Osborn Riedesel

Voting Against: None

Absent: Curry Foley Hill

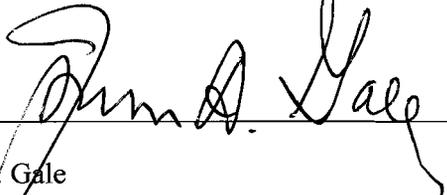
The motion carried.

**Agenda Item 12. CONTRACTOR'S REPORT.** Mr. Bill Bidrowski gave the Independent Contractor's Report.

**Agenda Item 13. DATE FOR NEXT MEETING.** Chairman Gale announced the date of the next Records Board meeting will be changed from April 30, 2008 and the members will be notified as soon as the date is determined.

**Agenda Item 14. ADJOURNMENT.** Mr. Loewenstein moved to adjourn the meeting; seconded by Mr. Freimuth.

Chairman Gale declared the meeting adjourned at 1:00 P.M.



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John A. Gale  
Chairman  
State Records Board