

***** NOTICE OF PUBLIC MEETING *****

INFORMATION TECHNOLOGY ADVISORY BOARD

LOCATIONS:	Legislative Counsel Bureau 401 S. Carson Street Room 2134 Carson City, Nevada 89701	Grant Sawyer Building 555 E. Washington Avenue Room 4412 Las Vegas, Nevada 89101
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DATE AND TIME: October 27, 2016, 2:30 p.m.

Below is an agenda of all items to be considered. Items on the agenda may be taken out of the order presented, items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time at the discretion of the Chair. **Background documents for Agenda Item 5, Implementation of SB 289 (2015), are available on line at <http://it.nv.gov/Governance/dtls/ITAB/Meetings/Meetings/>.**

AGENDA

1. CALL TO ORDER and ROLL CALL

Chairman Diflo: I will call to order the October 27, 2016 Meeting of the State of Nevada Information Technology Advisory Board. I will ask Kelly, if you could do a role call and then let us know if we have a quorum?

Kelly Kiesow: Okay. Assemblyman Anderson?

Paul Anderson: Here.

Kelly Kiesow: Okay. Senator Lipparelli? Chairman Diflo?

Chairman Diflo: Here.

Kelly Kiesow: Director Cates? Director Whitley?

Ellen Crecelius: Ellen Crecelius here for Director Whitley.

Kelly Kiesow: Director Malfabon?

Director Malfabon: Here.

Kelly Kiesow: Ms. Krause?

Catherine Krause: Here.

Kelly Kiesow: Mr. Betts?

Craig Betts: Here.

Kelly Kiesow: Sherri McGee?

Sherri McGee: Here.

Kelly Kiesow: Joe Marcella?

Joe Marcella: Present.

Kelly Kiesow: Mr. Chairman, we have a quorum.

2. PUBLIC COMMENTS (*for discussion only*) – No action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken. Public comments may be limited to 3 minutes per person at the discretion of the Chair. Comments will not be restricted based on viewpoint. The Chair may, at its discretion, hold this agenda item open in order to receive public comments under other agenda items.

Chairman Diflo: Very good, thank you, Kelly. Agenda Item 2 is Public Comments. Just like the last meeting that we had, I would like to keep this item open until after we get through Agenda Item No. 5. Agenda Item No. 2 is for any general public comments. I would ask that any public comments, specific to Agenda Item 5 on the Peering Study that we bring up at Agenda Item 5.

With that disclaimer, is there any public comments? Okay.

Joe Marcella: Chairman Diflo, none down here.

Chairman Diflo: Very good, thank you Joe.

3. COMMENTS BY THE CHAIR (*for discussion only*) – Chair, Paul Diflo.

Chairman Diflo: Very good, thank you Joe. We'll go to Agenda Item No. 3, keeping Agenda Item No. 2 open. I wanted to start out by thanking everybody for attending this meeting so closely to the last meeting. If you've read the agenda, you see we only have one agenda item to discuss at this meeting. We expect it to be shorter than normal.

I also want to take this time to publicly thank AT&T, Cox, Charter and Century Link, for providing us a consolidated response rather than four independent responses to our peering questions. Today we're going to discuss the responses. We can ask the internet suppliers any additional questions, but in the end, we must provide a recommendation to the Legislative Council Bureau, for or against SB 289.

4. APPROVAL OF MINUTES (*for discussion and possible action*) – Chair, Paul Diflo.
Discussion and decision to approve minutes of the meeting on August 31, 2016.

Chairman Diflo: At this time, I'd like to move down to Agenda Item No. 4, Approval of the Minutes. I'd like to ask somebody for a motion to approve the minutes that was from the meeting held August 31, 2016.

Speaker: So moved.

Chairman Diflo: Do we have a second?

Speaker: Second.

Chairman Diflo: Okay. Motion carried.

5. IMPLEMENTATION OF SB 289 (2015) (*for discussion and possible action*) – Chair, Paul Diflo.

Chairman Diflo: Let's get into Agenda Item 5 which is titled the Implementation of SB 289 for discussion and possible action. I'm assuming that all Board Members had a chance to review the responses to the public's questions. At this time, I would like to ask if any Board Members have any specific items they would like to discuss regarding those responses? I see we have representation from the responders in Reno. Joe, you mentioned we have representation from the responders in Las Vegas. I will point out, we may ask you to come up and answer any questions that the Board Members may have.

At this time, I will open it up for any questions, or any discussion, regarding the responses. [pause] Okay. Seeing that there are no questions from any of the Board Members, I would now like to ask the responders, if there are any public comments specific to the peering study? Anyone from Reno? This is your opportunity for final—final comments.

Randy Brown: Thank you Chairman Diflo. Randy Brown on behalf of AT&T. First, we appreciate you giving us the opportunity to respond to the questions. Given the discussion at the first meeting, we quickly realized the limited resources of this Committee and provided the joint response to try and consolidate it into one document. I appreciate your comments on that as well.

I think the responses are comprehensive and you've all had a chance to take a look at them. I would just say that, from AT&T's perspective, legislative a technology policy is really not in the best interest of the State. Technology is rapidly changing and putting something into statutes that may or may not be relevant in the very near term or even in the long term, we don't believe is good public policy. We believe that states and local governments and other instrumentalities have the tools that they need, if this is an important issue to them, they simply write it into an RFP. That gives them the flexibility they need going forward, rather than legislating it.

We appreciate the opportunity to be part of this study and we'd be pleased to answer any questions.

Chairman Diflo: Appreciate those comments Randy. Are there any public comments regarding the peering study down in Las Vegas?

Joe Marcella: We have one.

John Lopez: Thank you Mr. Chairman. John Lopez for the record, on behalf of Cox Communications, Las Vegas, Government Affairs Manager. We don't really, as a company, don't have anything to add, other than our recommendation is a company that the Board not recommend any legislation to mandate any peering arrangement. If you have any questions, we'd be happy to answer them but thank you for the time that you've served on the Board. We very much appreciate it.

Chairman Diflo: Thank you for your comments. Yes sir.

Mike Eifert: Thank you Chairman. For the record, my name is Mike Eifert. I'm the Executive Director for the Nevada Telecommunications Association. I too would like to thank the four companies that put together the answers to your questions. AT&T and Century Link are members of my association. Really, I guess my comments reflect those of the rural companies in this state. I agree with the gentleman from Cox just said and with Randy Brown's comments that I don't see a benefit to the State in pursuing this and really if I look at Question 1, I have a lot of concern—or, answer to Question 1, I have a lot of concern with litigation as it pertains to the FCC's authority or what their perceived authority is over this.

This also would impose a burden of cost. The four companies that put this together obviously are very large companies, but the rural companies in Nevada are very small. Interconnection agreements cost money. They take time, they take resources and I think that's something that I wanted to point out, that a little bit not stated in the answers to your question. I thank you for the time to allow me to make these comments and to answer any questions you might have.

Chairman Diflo: Thank you Mike, appreciate it. Okay, final call for public comments, either in Reno or in Las Vegas. Seeing none. We had the opportunity to discuss this topic on October 31st. We've had the opportunity to read the formal written responses from the internet providers. And we've heard their comments today. At this point, I'd like to ask for a motion on a recommendation that we would send to the Legislative Council Bureau.

Paul Anderson: Mr. Chair, Assemblyman Anderson, if I could?

Chairman Diflo: Yes sir.

Paul Anderson: Maybe I'll make some comments first and then if it's appropriate I'll be happy to make a motion. I think the goal of SB 289, frankly has been reached. We looked at security response rates, precedent enforcement, possible restrictions on technology and putting those things into statute which would certainly limit innovation. As quickly as this industry moves—I'm in the IT industry and it seems like I'm reinventing my own company every couple of years or sooner, just to keep up with things.

I think also, the current tool sets that we have at hand, which was mentioned by one of our industry experts, as far as putting something into an RFP, if they felt like it was a necessary requirement—I think 289, while it turned into a study and brought to us to be able to dive a little more deeply into this topic. I certainly appreciate the time that our folks have put into it. Both our industry experts and staff and our State CIOs have had to manage this one for us. I think there's some good things that we put onto the record. I think there some good answers built into these questions and I appreciate the consolidated response as well. There are probably a lot of people that would want to chime in on this issue.

So, with that, if it's at the Chair's discretion, I think we've met the goals of SB 289. I feel like we've delved into the issue, understand how it may or may not affect the state and certainly the goals of us being on the forefront of technology—not being regulated into anything that would limit us.

My response—my motion, if it's acceptable to the Chair would be that we accept the answers, the consolidated answers that were given to us, that we make those part of the record and submit a report to the LCB, the Legislative Council Bureau, that would make a recommendation that no legislation move forward based on the recommendations that this Committee has found.

Chairman Diflo: Thank you Assemblyman Anderson. Any discussion? Any comments from other Members of the Board? Seeing none, I'd like to ask for a second.

Catherine Krause: Second. Catherine Krause for the record.

Chairman Diflo: Thank you. This motion I believe would need a vote, all those in favor. [ayes around] Motion carried.

At this point, I would like to ask for a second motion to allow the Chair to forward the recommendation to the Director of Legislative Council Bureau, along with the background documents considered by the Board. So any of the applicable minutes, as well as the formal responses from the internet providers.

Paul Anderson: Mr. Chair, Assemblyman Anderson. I'm happy to reemphasize that portion and make sure that all the minutes, the details, the responses from our vendors and the industry experts, as well as any comments from this Committee be included in the recommendation and response to LCB, Legislative Council Bureau.

Chairman Diflo: Thank you Assemblyman. May I ask for a second?

Sherri McGee: For the record, Sherri McGee, I second.

Chairman Diflo: And this would require a vote. And all those in favor. [ayes around] That motion carries.

6. BOARD DISCUSSION (*for discussion and possible action*) – Chair, Paul Diflo, and Shannon Rahming, State CIO. The Board may identify issues within its statutory mandate to be addressed at future meetings.

Chairman Diflo: Agenda Item 6, this is the spot on the agenda where we usually bring the CIO up and have him/her report. Shannon, do you have anything to report today?

Shannon Rahming: Hi, thank you very much. Shannon Rahming for the record. First of all, I'd like to thank the Board and I'd like to thank the vendors for coming up and A) putting all the effort and time into this. We really appreciate it. It's wonderful the State of Nevada is very appreciative and thank you very much for doing that. That's wonderful. Pretty much everybody knows what's going on. We're working on budgets right now. Getting ready for the next Legislative Session. If you have any questions for me, let me know, but I really have nothing else to report.

Chairman Diflo: Any questions for Shannon?

Paul Anderson: Shannon, thanks for being here today and I appreciate it. I think there's been a lot of reorganization in your Department, I guess, I'd just like to hear how that's going and I know that you've put some different teams together. I'd love to hear some specifics about those teams and just sort of some background on where you think [tape cut] going.

Shannon Rahming: Great, thank you. Thank you for the question. Shannon Rahming for the record. We are at this point in time putting together an agency IT area. In fact, our new Chief starts on Monday. Yeah! Very excited. So, she—her name is Suzy Block. She will be over our area which is development. So programming, database, help desk, desktop and our project management group. Then we will, eventually, once it's approved, through the Legislative Session, we will eventually bring in some more server type folks and some network. Then we will have basically two areas. We will have our Enterprise Area. That area will take care of all the enterprise needs for all the state agencies. Then we'll have our agency group and they will specifically take care of Department of Administration, Department of Public Safety and the Governor's Offices. That's going to be the split. That agency group will be those agencies direct IT Department. It's like having their own IT Department and that's exactly who they go to. They will have one chief to go to. If they have any issues with anyone else, they can go directly there. That Chief's responsibility would be to then be the liaison to the other areas to take care of the problems and the issues. That's where I'm doing it. We'll have like an Enterprise Group and then Agency Group. One vision, two missions, basically. We are rolling forward. Like I said, I'm very excited to get our new person on board.

Paul Anderson: Thank you for that. If there's any updates on the DPS. Obviously there was a leap of faith from DPS to jump in with EITS. I know there's always obstacles and tough times. How is that going and are we making some great progress there? Also, kind of the integration with all the federal side of things that DPS has to deal with.

Shannon Rahming: It's certainly going and yes, it was a leap of faith. I don't have all the background because I wasn't here at that point in time but we have moved forward a lot. We have certainly done a lot for their network. Refreshed it, a lot. We've also been able to get a lot of coding done for them. A lot of projects have been done for them. We have been able to take care of their help desk needs 24 hours a day, 7 days a week, 365 days a year. We have put that in. That was a change for EITS because they were used to an 8:00 to 5:00 help desk and of course, with our officer safety, we needed 24x7x365 to help take care of that.

It's been an experience for both sides. EITS has had to learn a lot about the federal side of it and also the public safety side and public safety has gotten the opportunity to utilize a lot of our tools and a lot of our expertise and knowledge from the network perspective.

Is it perfect? It's not perfect yet. Is it getting better? It's getting much better, yes.

Paul Anderson: Mr. Chair, if I could have one more.

Chairman Diflo: Yes sir.

Paul Anderson: I'm curious. As you develop kind of this new infrastructure and Agency Department versus the Enterprise Department, I think those are great ideas. How do you see

that—and you already mentioned you're rolling into the budget season here. Obviously agency budgets are now public, as of the 15th. We're getting through [inaudible] and moving forward. Do you see the—you're a cost agency, right, where you pass on those fees to—

Shannon Rahming: Yes, internal services funds.

Paul Anderson: Internal service funds, thank you. I sit on WAZE, I should know that nomenclature pretty clearly. That said, do you see any added costs or obstacles in making sure you can recoup those costs as you develop out different teams and departments or do you think it's going to be a wash in the end.

Shannon Rahming: I think it's—in developing—Shannon Rahming for the record. In developing those teams, we're not adding people at this point in time. If we are adding people, it's going to be based on looking at something new. We're utilizing existing employees. We are re-massaging the money, I guess, for lack of a better term. I mean, the money is already there, but it's going to be allocated differently. I don't expect we're going to see a large increase in funds, based on doing this. Again, we're utilizing the same employees. They're going to be doing something different. We'll be collecting their funds at different mechanisms.

Paul Anderson: Repurposing those funds.

Shannon Rahming; Yes.

Paul Anderson: All right. I appreciate the progress and I'm hearing good things on the ground. Obviously there's always rumblings that change is tough, but you know, change needs to happen quite often. Appreciate your efforts.

Shannon Rahming: Thank you very much.

Paul Anderson: Thank you Mr. Chair.

Sherri McGee: Chairman, Sherri McGee for the record. I do have a question for you Shannon. With the ERP replacement that's happening in the state, so can you give me an update of what's happening today and what's being planned for in the next legislative cycle?

Shannon Rahming: Certainly, Shannon Rahming for the record. Right now, we are actually—next week we are having some demos, for ERP demos. Right now, we are actually just going through and mapping out all the processes. With the goal to get an RFP out in the next biennium and then we'll forward from that. The RFP has not been written. It's being— all the processes, like I mentioned are being documented right now. Then the RFP will go out.

Sherri McGee: For the record, Sherri McGee. Has the funding been established for that project?

Shannon Rahming: There has been a request. There was a tire that was put through that was voted on. There was an amount put into the tire. There has been no funding besides the original funding to actually put the RFP out. The funding would have to come in this biennium and the next biennium.

Sherri McGee: Thank you.

Chairman Diflo: Any other questions for Shannon? Thank you Shannon.

Shannon Rahming: Great, thank you.

7. DETERMINATION OF DATES FOR FUTURE BOARD-RELATED ACTIVITIES (*for discussion and possible action*) – Chair, Paul Diflo.

Chairman Diflo: The last item is just a discussion around dates for future board meetings. I'm told that with the upcoming legislative session that it's difficult if not impossible to book meeting rooms. Having some of the legislators on Board, it may be preferable to hold our next meeting after the close of the 2017 Legislation. Now, having said that, that puts a little pressure on us because we'd be squeezing in, you know, a lot of meetings from June through the end of the year. In those future meetings, we want to start reviewing the strategic plans that Shannon has for the EITS Department. I'd like to put that up for discussion, what's a realistic timeframe to have the next meeting?

Catherine Krause: Mr. Chair? If it helps, we have, at the Attorney General's Office, we have some rooms that we—hold public meetings in regularly. They're not as big or as nice as this, but if—I want to offer that up, if we—you know, to help us meet every three months, as it says we're supposed to in statute. If we could do that, I mean, I know it might be difficult for some of the legislative members to do that. Three months is in January. I'll just offer that up if that's of interest. We could host these meetings. With the size and the number of public that tends to attend, I think we would be able to accommodate that.

Chairman Diflo: Do you have the capabilities to do the [crosstalk]

Catherine Krause: Yeah, we do. We regularly do meetings North and South, public meetings, many, many per week. So, we could accommodate that.

Chairman Diflo: Yes Shannon.

Shannon Rahming: Thank you very much, Catherine Krause, for offering that. Shannon Rahming for the record. So with your rooms, can they actually go through and be able to record and then also—because right now we utilize these rooms because they do recording.

Catherine Krause: We don't have that so we have staff that do the recording. Yes, that would be a challenge given the lack of staffing for this Committee. Good question.

Shannon Rahming: Right. Thank you.

Chairman Diflo: That's a good point. Yeah, thank you.

Director Malfabon: Mr. Chairman, NDOT has the ability to host video conferencing and record as well. We just use our service for the keeping of the minutes, as well. We could offer that up. Just have to find an available date, to make sure it's not on the same day as a Board Meeting for instance for our Transportation Board.

Chairman Diflo: Okay. Well, I thank you for the offer. I know it's—it's probably difficult during Legislation for you to get away Assemblyman Anderson?

Paul Anderson: Thank you. Assemblyman Anderson for the record. You know, January would be fine. There's some new legislative training that goes in this building, but it's certainly not—you know, not using every single room. So, I think we could probably get a meeting done in January. There may be some new appointees to the Board, however—or the Commission, however that—that just comes with the territory. So, I think both of those offers are advantageous. Whether or not we could use a room here in January, I think that would be easiest enough to do. Certainly during the Legislative Session, I might have a different opinion. Unless we're—

Chairman Diflo: This is recorded remember.

Paul Anderson: Early morning or late nights, that's about when it is. Certainly January I think is doable. Certainly—then we get into June before the legislators could probably attend and be participatory.

Chairman Diflo: Okay. Thank you sir. Then I guess what I'd like to do is ask for a motion—I will have Kelly and I will look for a date in January that works for everybody and a room that works for everybody. Maybe I don't need a motion for that, huh? Probably not. Okay.

8. PUBLIC COMMENTS (*for discussion only* – Chair, Paul Diflo.

Speaker: Mr. Chairman, last call for comments please.

Paul Anderson: I think you probably need to jump into public comment first.

Chairman Diflo: Oh. Thank you for reminding me. At this time, are there any additional public comments in both Reno and Las Vegas?

Joe Marcella: None down here.

Chairman Diflo: And it doesn't look like there's any in Reno. We can close Agenda Item 2 as well.

9. ADJOURNMENT

Chairman Diflo: And it doesn't look like there's any in Reno. We can close Agenda Item 2 as well. Now we'll ask for that motion to adjourn.

Paul Anderson: Ditto, motion to adjourn.

Chairman Diflo: Thank you. Second?

Speaker: Second.

Chairman Diflo: Thank you sir, meeting is adjourned. Thank you everybody.

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