

Access Hawai'i Committee (AHC) Meeting Minutes

March 7, 2019
1:00 p.m.

Videoconference Centers (VCC)

Kalanimoku Bldg., 1151 Punchbowl St., Rm. B10, Honolulu, HI 96813
Hilo State Office Bldg., 75 Aupuni St., Basement, Hilo, HI 96720
Wailuku State Office Bldg., 54 S. High St., 3rd Flr., Wailuku, HI 96793
Lihue State Office Bldg., 3060 Eiwa St., Basement, Lihue, HI 96766

Members Present

Douglas Murdock, Chief Information Officer, Office of Enterprise Technology Services (ETS)
Curt Otaguro, Comptroller, Department of Accounting and General Services (DAGS)
Bonnie Kahakui, representing the Administrator, State Procurement Office (SPO)
Jennifer Brooks, Attorney, Office of Information Practices (OIP)
Stuart Okumura, Juvenile Justice Information System (JJIS) Coordinator, Department of the Attorney General (ATG)
Kevin Thornton, Director of Information Technology and Systems Department, representing the Administrative Director of the Courts
Jules Ung, Director, Department of Information Technology, County of Hawai'i (VCC)¹
Jacob Verkerke, Chief Technology Officer, Department of Management, IT Services Division, County of Maui (VCC)¹
Mandi White, IT Project Leader, representing the CIO, County of Kaua'i (VCC)¹

Members Absent

Catherine Awakuni Colon, Director, Department of Commerce & Consumer Affairs (DCCA)
Robert Su, IT Manager, Department of Taxation (TAX)
Keith Ho, Deputy Director, Department of Information Technology, City & County of Honolulu
Senator Glenn Wakai, State Senate
Representative Chris Lee, State House of Representatives

Other Attendees

Valri Kunimoto, Deputy Attorney General, ATG
Meoh-Leng Silliman, Business Management Officer, DAGS
Todd Omura, ETS
Susan Bannister, ETS
Janet Pick, Director of Operations, Hawai'i Information Consortium (HIC)
Tony Tran, PMO Manager, HIC
Patrick Kaly, ATG
Danille Minayoshi, ATG
Mark Ritchie, DBEDT
Lyle Fujikawa, DBEDT
Bin C. Li, DLNR
Brandon Gonzales, Hawaii County (VCC Hilo)

¹Participated via VCC

I. Call to Order

Chair Douglas Murdock called the meeting to order at 1:00 p.m., at which time quorum was established.

II. Review and Approval of the December 6, 2018 and January 10, 2019 Meeting Minutes

Member Thornton made a motion to approve the minutes of both meetings as submitted, which was seconded by Member Shirai. A vote was taken and the motion unanimously passed.

III. Public Testimony

Greg Hoxsie, resident of Maui, joined the meeting via Maui's VCC. He will submit written testimony but took this time to thank the Committee for its recent efforts in addressing some of his concerns raised at the last meeting regarding the Access Hawaii Committee, the state's Internet portal manager, Hawaii Information Consortium, and State agencies. He also apologized for some of his communications that may have seemed confrontational. Chair Murdock thanked Mr. Hoxsie for his comments stating that the Committee takes these concerns seriously.

IV. Report by the Permitted Interaction Group (PIG) Pertaining to Concerns Raised in Public Testimony

Chair Murdock reported that the PIG members met and is finalizing its report. It will be submitted at the next AHC meeting. The members consist of Chair Murdock, Member Verkerke, Member Kahakui, and Derek Ichiyama.

V. AHC Chair Report

No report.

VI. Hawaii Information Consortium Report

Janet Pick, Director of Operations, reviewed the HIC's general manager's report for Burt Ramos, General Manager, who was out of town. Topics included Service Highlights, Customer Service Summary, Financial Summary, and News and Updates. The AHC asked about the Customer Service calls. Pick stated that they handle calls for applications HIC supports as well as calls from the general public seeking information not directly related to the Internet portal. There are no additional costs for this. Pick also explained that the customer service response time is skewed. They allow 5-7 days to respond to an inquiry but many are resolved before then. Their business hours are 7:45 a.m. to 4:30 p.m.

Chair Murdock asked Pick to further explain Assets, Liabilities, and Shareholder Equity. Pick explained that Assets includes cash, equipment, furniture, software for HIC. Liabilities include accounts payable, rent liability, employee vacation accruals. He asked if this also includes money owed to the State for fees, which Pick replied that it potentially could. Pick would need to check on Shareholder Equity but mentioned that it is publicly traded. NIC trades under eGov. Pick stated that HIC's financials are audited annually. She mentioned

that they are developing a portal roadmap that is part of the strategic plan and hopes to work with the AHC.

VII. Portal Strategic Plan

Chair Murdock stated that while reviewing last year's Annual Report to the Legislature, it was discovered that a current strategic plan was not in place. Any reference to the strategic plan was eliminated from the report. Subsection 27G of the Hawaii Revised Statutes (HRS) requires the portal manager to have a strategic plan for the portal so HIC has been instructed to complete one. Member Verkerke asked when the Committee could expect a strategic plan. Pick stated that HIC will work with the AHC or ETS to meet the expectations of the AHC. They can have a draft for the next meeting. Chair Murdock suggested that HIC look at prior plans or plans with other states that they could use as reference. Pick asked for a timeframe that the plan would need to be submitted. HIC had a two-fold plan in mind, a one- to two-year plan, and a longer-term plan but unsure how to proceed since their contract ends in January 2020. Chair Murdock stated that ETS will meet with HIC to address this situation.

Member Verkerke raised concerns whether the AHC was giving HIC an advantage for the next Request for Proposals. He wants the AHC to remain neutral as much as possible when carrying out its responsibilities. Chair Murdock acknowledged Member Verkerke's concern, stating that AHC or ETS have not agreed to provide guidance at this time. However, the AHC will need to be involved at some point in approving the strategic plan. These concerns will be shared with Derek Ichiyama, Portal Program Manager, who was not present at the meeting.

VIII. Statement of Work (SOW) Approval Process

The Committee reviewed the pending SOWs under agenda item IX.

IX. Approval of Statements of Work

Departmental staff were invited to present their SOW requests.

A. SOWs Under Review

1. Department of the Attorney General (ATG), Tax and Charities Division, Online Charity Registration

Deputy Attorney General, Patrick Kely and Legal Assistant, Danille Minayoshi, presented the Tax and Charities Division's proposal. Amendment 9 proposes to implement small changes in the existing online registration and display. Kely explained that charitable organizations listing funds in Hawaii are required to be registered with the ATG. There are approximately 6,565 organizations registered in Hawaii.

Member Thornton asked if the system was originally developed at cost or fee. Pick stated that it is a hybrid application and a transactional fee. It started as fee-based so any enhancements will continue to be fee-based. Member Otaguro asked what the fees are based on. Kely stated that this enhancement is a flat fee of approximately \$1,100 to change some existing things in the system with no

additional fees or cost associated with it. Charity organizations submit annual reports and pay a registration fee. HIC collects \$4 per transaction and a percentage of the registration fee. A transaction is when an organization submits its registration each year. The application fee is for the charity organizations and the fee depends on how much fundraising they do in the state. There is no cap to the fee. Minayoshi stated that the highest annual fee is \$600. Pick stated that \$4 is added to the fee then HIC receives 3% of that total. Member Brooks asked what the 3% goes toward. Pick responded that the total amount that comes through plus the \$4 and 3% fee is to cover incident support cost. The Tax and Charities Division actually has two applications, which the 3% covers.

Member Thornton made a motion to approve the SOW, which was seconded by Member Brooks. A vote was taken and the motion unanimously passed.

2. Department of Business, Economic Development and Tourism (DBEDT), Business Development Support Division (BDSO), Website Services

Mark Ritchie and Lyle Fujikawa from DBEDT, BDSO, requested that the AHC approve their SOW request for website services. HIC will provide support work on an as-needed basis specified in its master contract with a cap of \$4,000 per month. They informed the committee that BDSO is extremely customer-facing. The website requires constant updating due to the constant change in information. It would be more expensive for DBEDT to hire someone to do the job.

Member Brooks made a motion to approve the SOW, which was seconded by Member Kahakui. A vote was taken and the motion unanimously passed with Member Kahakui stating her reservations. Member Kahakui stated that in past conversations with DAGS and previous CIO, Todd Nacapuy, SPO felt that some of the work HIC did for DBEDT suggests that DBEDT had relinquished its responsibilities to HIC. She stated that the original SOW is so broad that DBEDT can ask HIC to do anything even though a DBEDT employee might be able to do the work.

Ritchie explained that they do contract management by following the SOW when working with HIC. He is responsible for the billing and invoices and reviews each one. Ritchie and Fujikawa explained that the BDSO website is in constant need of updates, sometimes daily. The work required is more complicated than what an employee would be able to do. DBEDT has three IT people and no one in their division has web programming as their job description. Chair Murdock acknowledged Kahakui's concerns.

3. Department of Land and Natural Resources, Administrative Proceedings Office Civil Resource Violation System, Case Management System, Amendment 2

Bin Li, Administrative Coordinator, of the DLNR stated that this amendment is to reduce the current HIC transaction fee of 50% of the collected online fees to \$1,100 a month. This will save the State money each month. Member Brooks asked if this change would affect users of the system. Li stated that this change is only between

DLNR and HIC. Users will not see any changes to the fees. DLNR currently pays 50% of fees that HIC collects from online transactions. This does not include check payments that DLNR receives from users.

Member Thornton made a motion to approve the SOW, which was seconded by Member Brooks. A vote was taken and the motion unanimously passed.

4. Hawaii County, Department of Liquor Control, Licensing and Permitting Application

Brandon Gonzalez, Administrative Officer for the Department of Liquor Control, explained that SOW Amendment 1 would greatly benefit the County of Hawaii. The SOW covers the development of a method for licensees to complete and submit their liquor license renewal applications with their renewal fees, and develop a method for Liquor Control staff to manage the review and approval process. The public can renew their licenses online 24/7 and pay for the renewal via credit card or e-check. The work flow process will track applications and generate automatic notices, reminders and other transactions that are currently done manually. Pick stated that HIC is currently building onto an existing system which does not have a database. The agency has its information on an excel spreadsheet so HIC plans to import its information into the system creating the new database, which will be maintained by HIC. The initial application was self-funded, where the agency paid \$0 for the system and charged a transaction fee of 10%. From 2018, HIC made about \$1,500 in revenue. The renewal is a hybrid funding model so the agency will pay HIC \$24,939.94 (Gonzalez noted that the agenda had a wrong amount). The agency will an additional transaction fee of 5% for any renewals that occur. The fee ranges between \$16 to \$1200 based on the type of liquor license they have.

Member Brooks stated that the Committee has received public testimony inquiring about the interest on funds held in HIC's bank account before it is transferred to the State account. She asked about the three-day lag, where is the money held, does it generate interest and if so, who does it go to. Pick explained that the money flows into HIC's account first and does not incur any interest. It is normally a three-day time period from when the transaction takes place to when the funds can be seen in the agency's account.

Member Brooks made a motion to approve the SOW, which was seconded by Member Shirai. A vote was taken and the motion unanimously passed.

At 2:00 p.m., Member Otaguro left the meeting. His designee, Meoh-Leng Silliman, was present.
At 2:15 p.m., Member Verkerke left the meeting.

X. Good of the Order

Next meeting: June 6, 2019

XI. Adjournment

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Member Kahakui made a motion to adjourn the meeting, which was seconded by Member Designee Silliman. Vote was taken and the motion unanimously passed. Meeting adjourned at 2:20 p.m.

Recorded by: *Susan Bannister*
Susan Bannister, ETS