

**Addendum Nine
to the
Electronic Government Service Level Agreement Between
Nebraska Interactive, LLC,
Nebraska Department of Agriculture,
and
Nebraska State Records Board**

This Addendum Nine to the Electronic Government Service Level Agreement made by and among Nebraska Interactive, LLC (hereinafter referred to as Nebraska.gov), the Nebraska State Records Board (NSRB) and the Nebraska Department of Agriculture sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), prices to be charged for such Nebraska.gov services, and terms of payment for such Nebraska.gov services. The Nebraska Department of Agriculture has authority to assess and collect the fees described herein.

This Addendum Nine includes the following services and supersedes and replaces the previous pricing structures set forth below:

- Addendum Three, Applicator Permit Pricing Structure dated March 4th, 2010.
 - Department of Agriculture Fee: \$3 for Commercial /\$2 for Private Permits
- Addendum Four, Measuring Device Pricing Structure dated July 21st, 2011.
 - User Fee: \$1.75 + 2.49% Credit Cards/\$1.75 ACH
- Addendum Six, Online Licensing Services Suite (Corn, Wheat, Grain Sorghum Fee Collection, Imported Egg Reporting Form, Dry Bean Reporting Form, Dairy Reporting Form, Poultry and Egg Reporting Form, Turkey Fee Reporting Form, Grape and Wine Exercise Tax, Potato Reporting Form, Food Establishment Permit Renewals and Pesticide Dealers and Product Registration Renewals) Pricing Structure dated May 13th, 2011.
 - User Fee: \$1.75 + 2.49% Credit Cards/\$1.75 ACH
- Addendum Seven, Online Licensing Services Suite (Feed, Fertilizer and Ag Lime Renewal, Commercial Feed, Fertilizer, Ag Lime (Tonnage) Inspection Fee Payment Report, Small Package Product Fee Report, Auction Market Inspection Fees, Milk Act Renewal Notice, Milk Inspection Fee Report, Nursery License fees and Inspection Services) Pricing Structure dated November 6th, 2013.
 - User Fee: \$1.75 + 2.49% Credit Cards/\$1.75 ACH

Additional services included in Addendum Nine:

- Auction Market License Fees
- Livestock Dealer License Fees
- Pet Feed and Renders License Fees
- Phytosanitary and Corn Borer Fees
- Weed Book Fees
- Lab Service Fees
- Seed Fees
- Certificate Of Free Sale Fees
- Dog and Cat License Fees

Project: Fee Structure

Revenue Type: Instant Access

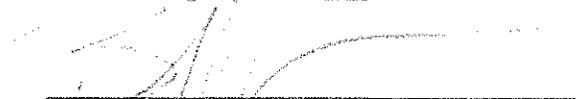
Implementation: Fee changes will be implemented no later than July, 2015 for current services and not before NSRB approval.

Service	Dept. of Agriculture Fee (User)	Nebraska.gov Portal Fee	NSRB Share
Online Licensing Services Suite Credit Card	Full statutory/assessed fee charged by Partner	2.49% plus \$3.00*	10% of Nebraska.gov Portal Fee
Online Licensing Services Suite Electronic Check	Full statutory/assessed fee charged by Partner	\$3.00*	10% of Nebraska.gov Portal Fee

*The Department of Agriculture will be paying the \$3.00 Nebraska.gov portal fee. Online users will pay 2.49% of the Department of Agriculture statutory/assessed fee if they pay for the service via a credit card. Online users will not pay a portal fee if they pay for the service via electronic check.

Terms: Nebraska.gov will process the total of all transactions through the Nebraska Interactive merchant account. The shared revenue received pursuant to this addendum shall be deposited by Nebraska.gov in the accounts designated by the NSRB and the Department of Agriculture

Security: A list of Nebraska.gov security provisions may be found at <http://www.nebraska.gov/policies.html>

By: 
 Authorized Officer
 Nebraska Interactive, LLC

Date: 11/12/14

By: _____
 Authorized Officer
 Nebraska State Records Board

Date: _____

By: 
 Authorized Officer
 Nebraska Department of Agriculture

Date: 11-12-2014

Summary
Nebraska Department of Agriculture
Addendum Nine

Project: Fee Structure

Project Proposal:

NDA is interested in maximizing adoption and has requested to eliminate the flat user fee (users will continue to pay 2.49% when credit cards are used to cover the cost of merchant processing and banking fees.). To meet this need, fund the NDA request for additional and enhanced online services (which includes direct data communication, single sign-on and future projects that are mutually determined beneficial) and to address the imbalance of revenue versus cost (see graph 3), NDA and Nebraska Interactive have agreed to a \$3 internal agency fee per transaction.

Current Process:

Since 2010, Nebraska Interactive has provided nearly \$250,000 in value to the Department of Agriculture. Due to current adoption rates and existing price structures net revenue has produced \$17,102.03 within the last four years (2010-2013).

NDA currently receives files via FTP that include all data per transaction. The majority of these files are used by NDA staff for data entry into the NDA database. For NDA to realize the benefit of online services, NDA and Nebraska.gov have agreed to enhance each application to directly insert data into their database (Direct Data Communication). This will reduce staff hours recognized by NDA.

Nebraska Interactive's value includes:

- Project Management
- Development
- Ongoing Maintenance
- Network Security
- Customer Service (account management, technical support, invoicing, etc.)
- Disaster Recovery
- System Administration
- Marketing Materials
- Training
- PCIDSS Compliance
- Google Analytics
- Other
- Overhead cost

Graph 1: Summary

Year	Total Value	NI Net Revenue
2010	\$43,586.00	\$2,403.28
2011	\$106,863.00	\$5,508.45
2012	\$46,208.00	\$3,076.11
2013	\$44,363.00	\$6,283.95

Total \$241,020.00 \$17,271.79

Graph 2: 2013 Nebraska Interactive Net Revenue

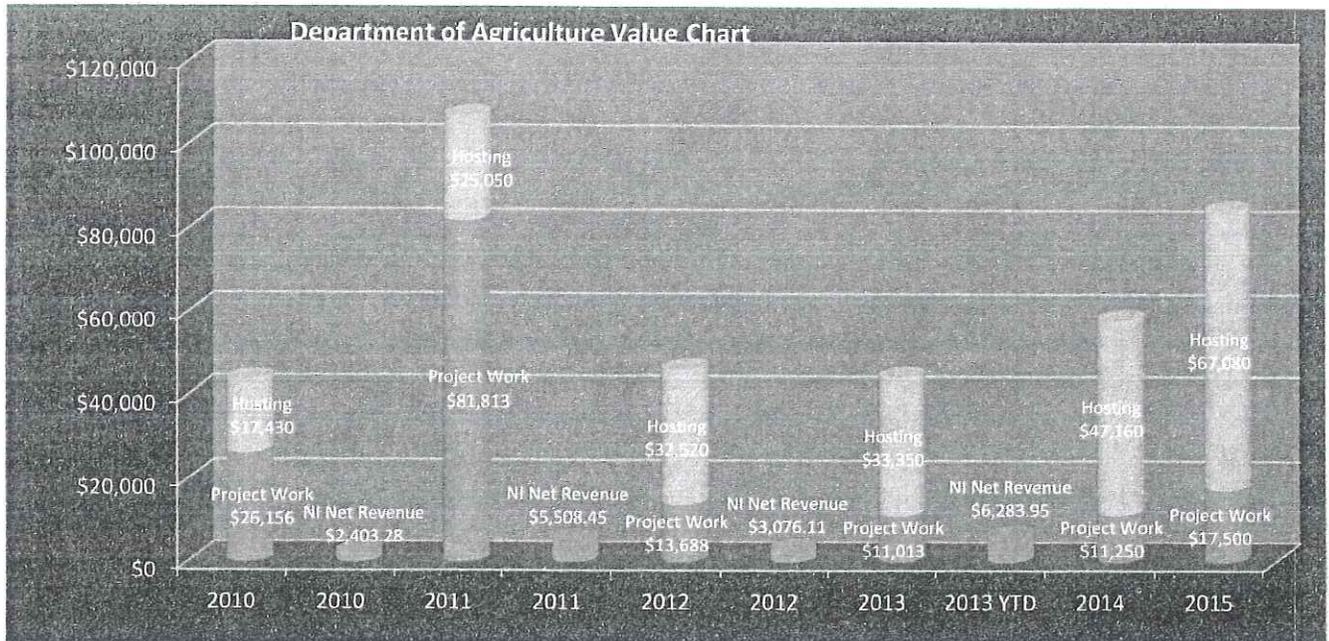
Service Name	Launch Date	Market Potential	Actual Trans	Adoption	Portal Fees	Paid By	NI Gross	NSRB Share	Est. Merchant Fees	NI Net
Food License Renewals	01/2000	6908	810	12%	\$1.75 + 2.49%	User	\$2,456.48	\$245.65	\$1,025.75	\$1,185.08
Pesticide Renewals	01/2000	2096	321	15%	\$1.75 + 2.49%	User	\$3,080.91	\$308.09	\$2,451.90	\$320.92
Applicator Permits	02/2010	9328	3685	40%	\$3 Commercial/ \$2 Private	NDA	\$8,578.00	\$857.80	\$4,145.42	\$3,574.78
Measuring Device	07/2010	4963	376	8%	\$1.75 + 2.49%	User	\$1,587.78	\$158.78	\$1,056.93	\$372.07
Dry Bean	07/2011	64	29	45%	\$1.75 + 2.49%	User	\$130.82	\$13.08	\$18.22	\$99.51
Corn Wheat Sorghum	07/2011	2636	166	6%	\$1.75 + 2.49%	User	\$462.86	\$46.29	\$168.87	\$247.70
Import Egg	07/2011	88	41	47%	\$1.75 + 2.49%	User	\$74.05	\$7.41	\$2.66	\$63.99
Turkey	01/2012	24	17	67%	\$1.75 + 2.49%	User	\$29.75	\$2.98	\$0.00	\$26.78
Dairy	01/2012	96	42	39%	\$1.75 + 2.49%	User	\$73.50	\$7.35	\$0.00	\$66.15
Egg	01/2012	36	0	0%	\$1.75 + 2.49%	User	\$0.00	\$0.00	\$0.00	\$0.00
Grape and Wine	06/2012	44	17	39%	\$1.75 + 2.49%	User	\$47.88	\$4.79	\$17.70	\$25.39
Potato	06/2012	15	9	60%	\$1.75 + 2.49%	User	\$15.75	\$1.58	\$0.00	\$14.18
FFAL Renewal	11/2013	2875	192	7%	\$1.75 + 2.49%	User	\$423.75	\$42.38	\$93.97	\$287.40
Total		29173	5705				\$16,961.53	\$1,696.15	\$8,981.43	\$6,283.95

2.49% applied when credit cards are used only

Information on what the fee presented is based upon:

- 51% of NI Net Revenue is contributed to by NDA.
- NDA average cost per transaction is \$2.40.
- Only 7% of NI's value has been recovered within the last four years
- \$15,000 Grant funds received in 2013 were allocated to development and project management of three new services launched in the fourth quarter of 2013. *Project hours and funds for those projects are not reflected in the value chart below because they have been allocated.*

Graph 3: Value Chart



2014/2015 Project work is estimated at 10 hours per service per year

Anticipated volume of users of the application and what percentage of the total potential users is the anticipated volume:

Adoption averages on existing applications reached 20% in 2013 and had a market potential of 29,173 transactions. Recognizing historical trends, new applications within their first year have average adoption of 10% or less, and less than 20% in year two. NDA has begun an initiative to notify their customer base by email or post card that action is required and no longer mail hard copy forms and by eliminating the flat fee assessed to the public, they believe a higher rate adoption will be reached.

Expected rate of return (in what time period):

At current adoption rates on existing applications, the expected return per year is \$16,628.61 (\$3 portal fee at an estimated 5,543 transactions). There is no guarantee that anyone will use the services developed and no guaranteed rate of return.

NI's investment in this application (any costs incurred):

Nebraska.gov assumes all the upfront costs and investments associated with these projects. There is no guarantee that anyone will use the services developed and no guaranteed rate of return.

NI's risk (in providing this service):

Nebraska.gov assumes all the upfront costs and investments associated with these projects. There is no guarantee that anyone will use the services developed and no guaranteed rate of return.