



**Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 East 14th Street, Des Moines, IA 50319
Meeting Minutes March 26, 2024**

FINAL

To ensure the most efficient use of State resources, the March 26, 2024, ITTC meeting was held via video conference pursuant to Iowa Code section 21.8. A video conference ensured that more Commissioners, staff, and the public were able to participate in the meeting. The meeting was accessible to members of the public.

Roll Call:

Commissioners Present

Steve Olson, Chair
Bob Holz, Member
Brett Mason, Member
Carmine Boal, Member
Denise Sturm, Member (Joined 10:39 AM)
Drew Stensland, State of Iowa Auditor, Ex-Officio Member
Matt Behrens, Office of the Chief Information Officer, Ex-Officio Member

Iowa Communications Network Staff

Mark Johnson, Interim Executive Director, Chief Administrative Officer
Scott Pappan, Chief Technical Officer
Mike Cruise, Finance Bureau Manager
Ryan Mulhall, Network Operations and Engineering Bureau Manager
Stephanie DeVault, Business Services Bureau Manager
Patrick Kazeze, Facilities/TAC Bureau Manager
Brian Clayton, Executive Officer 2
Mark Dayton, ICN Sales Engineer
Lori Larsen, Executive Officer 2 (Recorder)

Guest Attendees

Jeff Peterzalek, AAG
Mark Siebenburgen, Lumen

Call to Order:

Chair Olson called the meeting to order at 10:30 AM. It was noted that a quorum was present.

Approval of the February 26, 2024 Meeting Minutes:

Chair Olson requested a motion to approve the February 26, 2024, meeting minutes. Commissioner Holz moved to approve the minutes. Commissioner Mason seconded the motion. The motion passed unanimously.

Old Business:

None.

New Business:

Agency Updates

Contracting Update – Mike Cruise

- City of DSM colocation – We are waiting on DSM legal review to come back.
- Storm Lake CSD colocation – We want to get the agreement for them to use a short run of ICN duct, and we will continue to colocate in their facility. ICN will follow up on the documentation.
- ServiceNow ITB – We need a consultant to help build ServiceNow processes/workflows. We released to general prospects on March 14.
- Fiber maintenance for AEA 8 – Fiber maintenance is E-rate eligible. We exchanged documents with them for review.
- Dell servers – Looking to replace aging Cisco platform so we are seeking budget numbers for using Dell servers.
- Managed Voice – received the countersigned contract for renewal of that product.

COMMENTS

None

Finance Update – Mike Cruise

Monthly Revenues and Expenses:

The operating margin line shows the month of February resulted in an operating margin of positive \$5,952 which is 0.24% of revenue. This is \$76,232 unfavorable to the budget which is positive \$81,184. Revenues were unfavorable for the month by \$145,545. We see yearly trends for most services and low billings for OSP cost recovery projects. Direct expenses are unfavorable to budget by \$14,088, but nothing material to report for those. Total allocated indirect expenses are a combined \$83,401 favorable to budget. Six of the sub-categories are favorable and no category was materially variant.

Commissioner Mason asked are we anticipating the revenues coming in?

Mike Cruise said a lot of outside plant is driven by the expenses. We are caught up, everyone is doing an excellent job.

Scott Pappan added rates are being evaluated and adjusted accordingly. A lot of the rates being adjusted are 1 Gb and higher to incentive customers to go to higher circuits.

Year-to-Date (YTD) Revenues and Expenses:

Through February we have an operating margin of \$236,183, which is \$999,000 favorable to the budget which is negative \$762,716. Total allocated expenses are \$1.6M favorable to budget. Nearing the end of the 3Q-2024 there is \$264,000 from added operations projects that is still to be



recognized. There was a little booked in February but the budget amounts also increasing each month so we have yet to substantially catch up.

Comparison to Fiscal Year (FY) 2023:

Revenue is unfavorable by \$84,000. Direct expenses are \$40,000 unfavorable. Gross margin is unfavorable by \$124,000. Allocated expenses are a combined \$98,000 unfavorable. Overall, we are \$222,000 unfavorable to last February.

Year-to-Date Comparison to FY 2023:

Revenue is unfavorable by \$840,000. Direct expenses are \$47,000 favorable. Allocated expenses are a combined \$361,000 favorable. Overall we are \$433,000 unfavorable comparatively through February FY23.

Other

- We will be looking at the accounts receivable module of the billing system. We hope to see this be able to perform the tasks needed to retire the Access AR system.
- We have completed interviews for the two open positions in Finance and are working on offer letters for the chosen candidates.
- The reason for one of the Finance openings is the retirement of Kevin Heinzeroth with his last day being Thursday, March 28. He has over 20 years of service with ICN in his two stints and has been a very key contributor on our payables and reporting team since he came back in December 2014. He will be greatly missed and we thank him for his service.

1/3 Update

State accounting system Iowa Advantage went live as expected on March 18.

COMMENTS

None

Business Services Update – Steph DeVault

For the month of February, we had 172 orders.

Orders

DNS	11
Expert Consultation	9
Internet	40
Transport	97
Firewall	2
Voice	13

Customers

Number of Orders

Healthcare	8
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Government	118
Public Safety	21
Education K-12	19
Higher Education	6

Service Updates:

Order Highlights

New Customer: Maharishi University

Other: In the process of revising rates and winning back customers.

CRM: We are uploading our customer information and we are training the sales team in the next week.

Healthcare

- We installed a new circuit to Waukee Pediatrics.
- Quoting service at Washington County Hospital.

Government

- Iowa Health and Human Services (HHS) installed a 10Mg Ethernet and cabling move from Hoover to Lucas building.
- Iowa Department of Revenue updated their ACD/IVR. They needed to transition over to FedRamp. They were previously on a commercial based cloud service.

Public Safety

- Department of Public Safety (DPS) - 100Mg redundancy for each location: Cedar Falls, Storm Lake, Des Moines, and Cedar Rapids.
- Department of Corrections (DOC) has signed a managed firewall contract.
- HSEMD-Firstnet and shared services for Pott County.

Education

- As of the closing of the E-Rate 470-filing window, there were 362 unique Form 470 Category 1 (network connectivity) requests. The ICN responded to 160. As of March 18, the ICN has been awarded 471s for 11 schools, all existing ICN customers and one win back.
- We have been awarded some 471s: North Lynn CSD, Camanche, Howard-Winneshiek, Iowa Dept of Education, Beckman, Allamakee, and North Butler.
- ICN is working with 20 schools that need their Voice service upgraded.
- Northeast Iowa Community College (NICC) is moving the South Winneshiek CSD onto the main campus in Calmar.
- We are working on a few projects with the AEAs.
- Iowa Lakes Community College is committed to renewing all contracts.

Marketing and Communications

- Continue to work with the Peer to Career and SYBAC students.

- Representatives from ICN and Fortinet spoke with the Peer to Career trainees about cybersecurity and career insights on March 11.
- Corey Martin with Iowa Hospital Association spoke with the SYBAC students on March 12 about telehealth in Iowa and how the ICN partners with hospitals statewide.
- Ryan Mulhall joined a panel discussion on March 13 with speakers from Fortinet and Maricopa County to discuss the security steps election officials can take between now and election day.
- Released the latest customer spotlight/success story about our Voice service highlighting Nashua-Plainfield CSD.
- Launched the new ICN website on March 6, which was six weeks ahead of schedule.

COMMENTS

None

Network Services Updates

Network Operations & Security Update – Ryan Mulhall

Aggregation Replacement: We completed another four sites in the aggregation replacement. We're now about 30% of the way completed with that project. We continue this large, strategic project and are thankful we have two network admins who dedicate multiple overnights a month to ensure that we cutover customers to the new hardware with limited disruption.

State Firewall Phase II: We've got two more agencies to move off the state firewall that will be happening in the next month. We also have one agency customer that has signed a contract to move to a managed firewall service. After that we have 5 more agencies to move out and we can officially say we sunset that service that ran without compensation for over 20 years.

We're also starting our budget planning for fiscal year 2025, especially as it relates to capital expenses. We'll put together the technologies that are needed and the associated costs and send it to Finance.

A new engineering employee started on March 25, Eric Thye. He will be sharing his time with engineering and facilities.

Outside Plant: In February there were 22 new OSP projects opened. This is a 25% increase compared to historical data for February. There was one billable damage on the Iowa Hospital Association fiber that we manage, and another for the Des Moines Metronet that we manage.

COMMENTS

None

Administration & Facilities Updates

Facilities and TAC Update – Patrick Kazeze

TAC

- Distributing cost estimates for new work from leads received from our Business Services division. They have several for the Hoover building, the Lucas building, and 6200 Park Avenue. Included in these work details are a 187-office space and office reconfigurations, centralized printer relocations, and fiber plant work pulling in new fiber as well as extending some fiber for new and existing circuits that are being upgraded.
- Off the capitol complex, TAC has been providing consultant and QA support to Anamosa State Prison as they continue to undergo infrastructure improvements.
- Completed work at Joint Forces Headquarters to bring in CAT6 Cabling to support workstations as part of a remodeling project to a new telecom room.
- Completed phase one for another cabling project for the Iowa Workforce Development; installing new copper to support 36 new workstations. We anticipate phase two to kick off in a couple of weeks.

Project Management

- Completing the move to Sac City elementary, the electrical portion is nearly complete. The coordination work has begun to migrate our hardware.
- At Indian Hills Community College in Centerville, we have a tentative date of April 18 to cutover to the new FOTS room.
- We met with Western Iowa Tech Community College in Denison to discuss the relocation of our fiber, point of entry, our generator, propane tank, and our air conditioners, as the school is set to begin construction on a new addition to the campus.

COMMENTS

None

Legislative Update – Ryan Mulhall

There is one bill that we are tracking that has an effect on the Commission that has made it through both chambers and is awaiting signature by the Governor. Senate File 2096 repeals the gender balance requirements for appointive bodies.

We're tracking House File 2538 that has made it to the Governor's desk for signature regarding state agency strategic planning and data collection. We're already working ahead of implementation of our strategic plan and key performance indicator metrics.

We continue to track the boards and commissions bills in the respective chambers, neither of which have come up for debate yet. They are still alive and we will keep the commission informed when there is any movement there.

COMMENTS

Mark Johnson added that a few years ago the leadership team put together a 3-year strategic plan that was crated and shared. We are using that as a base and updating it. They will have a new dashboard in the Governor's office along with three KPIs per agency. We will identify those and provide appropriate measures. We will submit our first draft by April 1 and finalized the plan by the end of the fiscal year.

Other Business:

ITTC Committee Updates – Staff/Commission

Personnel Committee – Mark Johnson

There was no personnel meeting for March.

Finance Committee – Mike Cruise

Meeting Date: March 18, 2024.

Attendance: Commissioner Sturm, Commissioner Holz, Patricia Townsend, Brian Clayton, and Mike Cruise.

Topics Covered:

- Contracting update.
- FY24 budget-to-actual as presented today.

Customer and Services Committee – Steph DeVault

Meeting Date: March 21, 2024.

Attendance: Commissioner Mason, Commissioner Boal, Stephanie DeVault, Mark Dayton, Ryan Mulhall, and Lori Larsen.

Topics Covered:

- Presented what was listed today.
- Pending projects and sales updates from Business Services.

Technology/Operations Committee – Ryan Mulhall

Meeting Date: March 14, 2024.

Attendance: Commissioner Boal, Commissioner Mason, Ryan Mulhall, and Scott Pappan.

Topics Covered:

- The support that the ICN provides the Secretary of State and other entities for elections.

Public Comment:

None

Adjournment:

The ITTC meeting adjourned at 11 AM.

ATTESTED TO:



Steve Olson – Chair, Iowa Telecommunications and Technology Commission