



**Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 East 14th Street, Des Moines, IA 50319
Meeting Minutes May 23, 2024**

FINAL

The Iowa Telecommunications and Technology Commission's meeting occurred on Thursday, May 23, at 10:30 a.m. in the Grimes State Office Building, ICN Thompson Conference Room, 400 E. 14th Street, Des Moines, IA. To ensure the most efficient use of State resources, the ITTC meeting also included a video conference connection 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

Commissioners absent

State of Iowa Auditor, Ex-Officio Member
Office of the Chief Information Officer, Ex-Officio Member

Iowa Communications Network Staff

Scott Pappan, Chief Technical Officer
Patricia Townsend, Chief Financial 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

Joey Lavon, LSA
Sean Corey, Lumen
Tyler Eason, AAG
Rob Smith, FNS
Scott Goldberg, FNS

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 April 22, 2024 Meeting Minutes:

Chair Olson requested a motion to approve the April 22, 2024, meeting minutes. Commissioner Holz moved to approve the minutes. Commissioner Boal seconded the motion. The motion passed unanimously.

Old Business:

None.

New Business:

Agency Updates

Contracting Update – Mike Cruise

- **City of DSM Colocation** – They agreed to move forward and need to work some internal issues on their end.
- **ServiceNow ITB** – Contract has been awarded and executed.
- **Grants** – Purchases have started on three of the new federal grants we were awarded.
- **Uniti** – Working on renewal quotes on contracts that are in month-to-month pricing status. Quotes are significantly higher.
- **Other** – Working on various other support and fiber renewals.

COMMENTS

None

Finance Update – Mike Cruise

Monthly Revenues and Expenses:

The month of April resulted in an operating margin of positive \$229,055 which is 8.4% of revenue. This is \$228,320 favorable to the budget which is \$735. Revenues were favorable for the month by \$48,206. We see yearly trends for most services and high monthly billing for OSP cost recovery projects. Direct expenses are favorable to budget by \$51,728. Total allocated indirect expenses are a combined \$128,386 favorable to budget. Four of the sub-categories are favorable. Equipment expenditures were higher due to the Lucas battery project.

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

Through April we have an operating margin of \$563,839 which is \$1.4M favorable to the budget, which is negative \$822,829. Direct expense is now only \$48,648 unfavorable to budget through April. Total allocated expenses are \$1.9M favorable to budget. There is still over \$200,000 from added operations project expenses that is still to be recognized.

Comparison to Fiscal Year (FY) 2023:

Revenue is favorable by \$106,000. Direct expenses are \$176,000 favorable. Gross margin is favorable by \$282,000. Allocated expenses are a combined \$54,000 unfavorable. Overall, we are \$228,000 favorable to last April.

Year-to-Date Comparison to FY 2023:

Revenue is unfavorable by \$724,000. Direct expenses are \$270,000 favorable. Allocated expenses are a combined \$298,000 favorable. Overall we are \$155,000 unfavorable comparatively through April FY23.

Other

- We have an offer accepted for the Accounting Tech 2 position. They will start June 14th.
- The circuits billing position has been posted and applications are due today.

COMMENTS

None

Action – FY 2025 Budget Approval – Mike Cruise

We have an action item for the FY 2025 budget proposal. Below are some highlights. As more information comes to light we can always adjust it.

- We do have a \$405,000 drop in revenue (1.3%) from projected FY24. There is a \$1.2M drop in FY24 budgeted revenue.
 - Where that actually lands will be determined by data/Internet sales with the price decreases announced starting July 1.
 - There is a \$85,000 drop in OSP cost recovery, that is very volatile, and is tied closely with expenses.
 - There is a \$76,000 drop in other revenue and that can improve, if current returns on cash on deposit continues at the current percentage.
 - There is a \$43,000 drop in federal grants for known projects.
- Direct expenses decreased 0.6% from FY24 projected and increased by 2% from FY24 budgeted.
- Indirect operating expenses are right at where we projected and are 15.7% below FY24 budgeted.
- General & Administrative (payroll) – 5.5% over projected, 4.4% over budgeted.

Commissioner Strum thanked Mike for the details with the budget. She was glad ICN was lowering rates to be competitive. The ITTC Finance Committee did ask for a five-year Capital Plan and we asked for prioritization. All questions are answered.

Chair Olson requested a motion to approve the FY 2025 Budget. Commissioner Strum moved to approve the FY 2025 Budget. Commissioner Holz seconded the motion.

Carmine Boal, yes
Bob Holz, yes



Brett Mason, yes
Denise Sturm, yes
Chair Steve Olson, yes

Motion approved.

Business Services Update – Stephanie DeVault

For the month of April, we had 243 orders.

Orders

Firewall / DDoS Mitigation	20
DNS	2
Expert Consultation	9
Internet	53
Transport	92
Voice	67

Service Updates:

Order Highlights

No new waivers

CRM: We are finalizing our Customer Relations Management tool.

Healthcare:

- Order for Waukee Pediatrics.
- Order for Washington County Hospital and Keokuk Clinic.
- Turning up a new clinic in Kalona for Washington County Hospital.
- Bandwidth increase for CHI Corning.

Government:

- Iowa Health and Human Service (HHS) added 50 additional users for their ACD platform.
- Received HHS Cabling order for Hoover to Lucas.
- IDR ordered an additional 25 new calling paths and DIDs.
- Finalized the 6200 Park with Department of Natural Resources (DNR) and Iowa Department of Inspections, Appeals & Licensing (DIAL).
- Iowa Workforce Development (IWD) increased Ethernet Circuits and renewed Voice.
- Iowa DOM/OCIO renewal of voice circuit.

Public Safety:

- Iowa Department of Public Safety (DPS) ordered LMR circuits for DSM county, Cedar Rapids and Storm Lake.
- Started reaching out and coordinating the connectivity needs for the Yankee Doodle Pops event.

- Finalizing the cabling at the Anamosa Prison. With TAC and the vendor, we are on target and budget. We will be integrating voice in that prison.
- Homeland Security increased their circuits in our datacenters

New Products: On May 22 we had a good customer event with Zoom. We have started to see orders come in.

Education:

- As of the closing of the 470-filing window, the ICN responded to 116 unique opportunities. The ICN has been awarded 50 bids that had ICN services. From last year, we lost 10 customers. We have had 40 customer renews/upgrades from: Allamakee CSD, Alden CSD, Beckman CSD, Green Hills AEA, and Keystone AEA.
- Our non-erate customer renewals include: Indian Hills Community College renewed their circuits and Hawkeye Community College.

Marketing and Communications:

- Our Peer to Career trainees heard from representatives from FirstNet & AT&T on May 13.
- We are currently taking SYBAC Applications for the 2024/2025 school year until the end of May.
- Ryan Mulhall, Steph DeVault, and Jessica Schlesselman presented an ICN overview to the Des Moines Chapter of Association of Government Accountants (AGA). Many of the attendees were from State agencies. They enjoyed the presentation and have invited everyone back for their annual seminar held in April.
- Continue to market Zoom and our social media.

COMMENTS

Commissioner Mason asked about how many agencies showed up to the customer Zoom event?

Stephanie DeVault responded that we had 15 different agencies show up and 3 school districts. We had a really good turn-out. From that meeting we have three agencies that have committed to us. It was the best event since I have been here in three years.

Network Services Updates

Network Operations & Security Update – Ryan Mulhall

Aggregation Replacement: We completed another 5 sites, which brings us to a total of 45 sites completed, and there are another 16 sites in the engineering phase. Our engineering and network admins work well to get this new hardware going. We are still on track to have that completed in the next two years.

State Firewall Decentralization Phase 2: This continues to progress as well. We have another 2 connections that have been turned down. We are leaving one up at least configured, so the agency can

test and make sure everything is working as intended. That leaves us with seven more to go, and we hope to have it completed before the end of the calendar year.

DDoS Mitigation Expansion: We are starting to test again. We needed to work with the vendor to simplify the design. We believe we have it implemented as intended and the way it needs to be.

Mandatory Cybersecurity Training: The agency has the annual cybersecurity training taking place this month. The leadership team is focusing on that to make sure all employees complete it before May 31.

Outside Plant: In April we had 18 new projects opened which is smaller than historical numbers. Unfortunately, 9 of those resulted in damages in the Network, and 6 of those are being worked to be reimbursed due to mis-locates from provider or contractor damages to the facilities.

Grants: ICN was awarded three new grants from the Homeland Security Grant Program, which is managed here in Iowa by the Iowa Department of Homeland Security and Emergency Management (HSEMD), on behalf of the federal Department of Homeland Security. Those grants total \$180,000 for new equipment to help better protect our Network.

- TAC/Structured Cabling group will get a new fiber and copper tester.
- Outside Plant group will get a new locator for out in the field.
- Personnel from Network Operations and TAC will get new cellular test equipment for site surveys and troubleshooting for the cellular backup solutions that we provide to Homeland Security and potentially to other future customers.
- Sniffer boxes to help customers identify troubles on their network.

Our Contracting and Purchasing team identified vendors, and now our Finance team will pay the invoices. Great job by all involved. This takes about \$90,000 off the Capital budget.

COMMENTS

Commissioner Holz asked if there were any impact from the tornados?

Ryan Mulhall said we had 34 sites and the vast majority of them were power related. We ended up with about 60 incidents this morning, and we are down to about 6. Overall nothing significant to be worried about. Six generators came online. In participation with Homeland as part of the Emergency Support Function (ESF) 2, they did activate the SEOC. We didn't need to go into the SEOC, but we have been involved in coordinating communications on their behalf. One of the towers was destroyed, but they have it back up.

Administration & Facilities Updates

Facilities and TAC Update – Patrick Kazeze

TAC

- They have completed much of the cabling work at 6200 Park Avenue.
- Conducted some troubleshooting and repair actions for the Department of Health and Human services in Ottumwa this past month
- Providing consultation services to Anamosa State Prison as they continue on with their infrastructure upgrades.
- Traveled to Cherokee to the Regional Medical Center for a site survey for an upcoming cabling project to support a server room relocation and upgrade.

- Provide a cost estimate to the Attorney General's office that includes cable maintenance, regrooming and hardware relocation.

Project Management Team

- Onboarding the first two Zoom customers for Allamakee and Grinnell schools. This was a team effort building a workflow for our customers.

Facilities

- The Indian Hills Community College Centerville campus project was completed this month.
- The Sac City cutover was pushed and rescheduled to the May 22. This cutover was completed in the early hours of the morning on May 22.

Network Operations Center (NOC) Updates

- This month has been busy with troubles caused by the storms that have hit the State. On May 22, it was spent assessing damage, dealing with customers outages, and dispatching teams to restore services to customers impacted by the storms. The sites we support in Greenfield survived the storm and the CradlePoint that provides 911 backup with an external antenna remained up and operational through the storm.
- Facilities had 6 sites switch to generator power as the storms knocked power out to the communities they are located in causing numerous alarms in the NOC. They try to make sure the air conditioning is on and power was available. There was flooding, and the NOC stayed on top of that. Most sites remained operational.

COMMENTS

Scott Pappan thanked the ICN staff and FNS staff. Everything was taken care of, there were no urgencies, and we kept on working. Everything was addressed quickly.

Other Business:

ACTION - FNS Contract Renewal, Discussion, Approval – Patrick Kazeze

Defer to the month of June.

Legislative Update – Ryan Mulhall

All of the relevant legislation to the ICN has received signatures from the Governor and will go into effect on July 1.

- SF2385 is the Boards and Commissions bill that moved the appointment of the Executive Director from the ITTC to the Governor, and the rulemaking authority from the ITTC to the Executive Director.
- HF2686 cleans up the state agency realignment from last year.
- HF2539 was vetoed. It relates to open meetings and open records and provides additional penalties for violations. It also added a training requirement related to the open records Code chapters 21 and 22 for elected or appointed officials.

COMMENTS

Commissioner Boal asked what was their amendment for HF2539?

The group discussed that the amendment had to do with informal gatherings and the quorum.

Tyler Eason added there was an interpretation with the Public Information Board as to that amendment. Gathered at an informal meeting when a quorum was present, whether or not they could gather and discuss without notice and agenda.

ITTC Committee Updates – Staff/Commission

Personnel Committee – Chair Steve Olson

Meeting Date: May 13, 2024.

Attendance: Commissioner Holz, Chair Olson, and Mark Johnson.

Topics Covered:

- Brief discussion of the job openings and contracts that finance made.

Finance Committee – Mike Cruise

Meeting Date: May 20, 2024.

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

Topics Covered:

- Contracting update.
- FY 2025 budget.
- Went over the FY2025 budget proposal.
- FY24 budget-to-actual as presented today.

Customer and Services Committee – Stephanie DeVault

Meeting Date: May 15, 2024.

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

Topics Covered:

- Presented what was listed today.
- Wireless connectivity for school buses and back-up redundancy plan.
- Outages.

Technology/Operations Committee – Ryan Mulhall

Meeting Date: May 9, 2024.

Attendance: Commissioner Mason, Commissioner Boal, Ryan Mulhall, and Lori Larsen.

Topics Covered: Grants.

Public Comment:

None



KIM REYNOLDS, GOVERNOR
ADAM GREGG, LT. GOVERNOR

MARK JOHNSON, INTERIM EXECUTIVE DIRECTOR
IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Adjournment:

The ITTC meeting adjourned at 11:03 AM.

ATTESTED TO:

A handwritten signature in black ink, appearing to read "Steve Olson". The signature is fluid and cursive.

Steve Olson – Chair, Iowa Telecommunications and Technology Commission