



**Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 East 14th Street, Des Moines, IA 50319
Meeting Minutes June 24, 2024**

FINAL

The Iowa Telecommunications and Technology Commission's meeting occurred on Monday, June 24, 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

Mark Johnson, Interim Executive Director
Scott Pappan, Chief Technical Officer
Patricia Townsend, Chief Financial Officer
Mike Cruise, Finance 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, AG
David Vick, Dell Technology
Ray Warner, Aureon
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 May 23, 2024 Meeting Minutes:

Chair Olson requested a motion to approve the May 23, 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

- **OpenGov:** Working on upgrading to a new accounting and procurement system that will be a hosted solution. It will give new capabilities in several areas and potentially can lower our annual licensing costs.
- **Indianola Municipal Utilities:** Working on agreement for colocation and dark fiber to replace the FOTS room at the high school.
- **ITB for connection to Denver:** This is to replace four 10GB waves we currently have.
- **DOT fiber in Council Bluffs:** Discussing with DOT and Council Bluffs about the possibility to change ownership of fiber in that area.
- **ICN/DOT Master Service Agreement:** DOT will provide their review after June 25th.
- **DOC Inmate Calling and Tablet Project:** Sharing information with three new people on the DOC side to have them educated on the project.
- **New Ethernet Master Agreement:** We will be releasing the agreement soon to replace the current agreement, which has been in place since 2017.
- **Other:** Working on various other support and fiber renewals.

COMMENTS

None

Finance Update – Mike Cruise

Monthly Revenues and Expenses:

The month of May resulted in an operating margin of negative \$361,665 which is negative 15.0% of revenue. This is \$288,754 unfavorable to the budget which is negative \$72,911. About \$170,000 is due to a true up of YTD expenses for MVS from an estimate that should have been booked in April. Another \$161,000 was a reversal of revenue for a duplicate billing for a fiber project. So, just May activity has resulted in an operating margin of approximately negative \$30,000 which is \$42,000 favorable to the budget.

Revenues were unfavorable for the month by \$322,000. \$161,000 was for the reason just mentioned. Another factor is the revenue budget is the highest monthly budget of the year.



Allocation of the budget is based largely on the previous year and is affected by the one-time billings that fluctuate from month-to-month.

Direct expenses are unfavorable to budget by \$281,878. About \$170,000 is because of the issue I previously mentioned. Outside Plant (OSP) expenses were above budget by 276% so we did see some projects hit the books in May.

Total allocated indirect expenses are a combined \$315,538 favorable to budget. All of the sub-categories are favorable except operating expenses and they were only \$5,600 unfavorable.

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

Through May we have an operating margin of \$202,174 which is \$1.1M favorable to the budget which is negative \$902,230. Direct expense is now \$324,035 unfavorable to budget through May. Total allocated expenses are \$2.2M favorable to budget. There is still over \$325,000 in expenses from all approved projects that is still expected to be recognized.

Comparison to Fiscal Year (FY) 2023:

Revenue is unfavorable by \$246,000. Direct expenses are \$241,000 unfavorable. Gross margin is unfavorable by \$488,000. Allocated expenses are a combined \$11,000 unfavorable. Overall, we are \$499,000 unfavorable to last May.

Year-to-Date Comparison to FY 2023:

Revenue is unfavorable by \$970,000. Direct expenses are \$28,000 favorable. Allocated expenses are a combined \$288,000 favorable. Overall we are \$654,000 unfavorable comparatively through May FY23.

Other

- FY25 budget was entered into the budget system. Moving on to tasks within our own systems.
- Made more progress on the billing system upgrade with a couple of meetings this month. There are still some questions to be answered by the vendor before a final plan can be made for a timeline.
- The new Accounting Tech 2 started on June 14 and the new circuit billing employee started on June 24.
- I want to recognize Diane Kroll who will retire on Friday, June 28. She has been here 30 years and has been a wealth of knowledge and experience in telecom for all of ICN. Her guidance for the billing staff will be greatly missed. We thank her for all that she has done and wish her well.

COMMENTS

None

Business Services Update – Stephanie DeVault

For the month of May, we had 179 orders.

Orders

Firewall	1
DDoS Mitigation	3
DNS	9
Expert Consultation	7
Internet	44
Transport	98
Voice	17

Service Updates:

Order Highlights

No new waivers and no new customers.

This is the fourth month of steady sales. We will have new rates coming out in July that will benefit our customers.

Customer Relations Management (CRM): We are at the end of finalizing our Customer Relations Management tool. We have a complete database that we can quote out from our CRM using our pricing list. Based on the verticals, we can accurately forecast and send emails from the system. Working with Patricia’s team for auditing purposes.

Healthcare:

- Three orders for Virginia Gay Hospital.
- Received a bandwidth increase for CHI in Corning IA.
- A fiber installation for On With Life.
- Received an order for Mercy One in Davenport.

Government:

- Iowa Utilities Board (IUB) placed a Zoom order for 80 users and professional services.
- IUB placed a contact center and professional services order.
- DOM DoIT/OCIO submitted their PRI renewal.
- Health and Human Services (HHS) Targeted Case Management group submitted a cabling order and shared connection.
- HHS Child Support Services – We are waiting on moving and the order for Council Bluffs. A call center will be turned up to help with the flooding questions.
- Iowa Workforce Development (IWD) has all satellite locations now under contract for 3 years.

Public Safety:

- Iowa Department of Public Safety (DPS) in Cedar Rapids and Storm Lake placed an order for redundancy.
- DPS - MVS phone order for Mason City-Post 8.

- DPS - Two LMR circuit orders for Muscatine,.
- Department of Corrections (DOC) – Second Judicial Zoom order for Professional Services.
- DOC Rockwell City heard a Zoom presentation.
- Finalizing the Anamosa rewiring project, which should be done in a couple of days.

Education:**USAC Erate 2024 Form 470s:**

- We are finalizing all installs/upgrades to start out 2024.
- We have not seen anything for 2025 come out. We should see 470's come out early fall.
- The AC's are actively reaching out to their customers and prospects for 2025.

Our non-erate customers:

- Maharishi International University placed an order for 250 Zoom User licenses and professional services.
- Allamakee CSD signed up for more Zoom items.
- Dowling 1GB internet non erate for 36 months
- Iowa Public Radio will again use the ICN to broadcast Yankee Doodle Pops on July 3 live from the Capitol steps.
- ISU ARA Project: splicing and testing between Agronomy and Vet Med is completed.

Marketing and Communications:

- Our Peer to Career trainees heard from representatives from Meta on June 10.
- We received 25 SYBAC applications for the 2024/2025 school year. We are reviewing.
- Indian Hills Community College's cybersecurity program visited the ICN in early June. We gave an overview of cybersecurity, highlighted our DDoS and managed firewall services, and provided a tour of our broadband information center and Lucas lab.
- Continue to release social media.

Other

Mark Dayton has announced his retirement. His last day is July 19. It has been a pleasure and honor to work on the Network.

COMMENTS

Chair Olson thanked Mark Dayton for his service to the State of Iowa and ICN.

Network Services Updates**Network Operations & Security Update – Scott Pappan**

Aggregation Replacement: We completed another 6 sites, which brings us to a total of 48 sites completed. Another 16 sites are in the engineering and deployment phase. Our legacy aggregation platform requires us to reboot every year and should be functional for another year.

State Firewall Decentralization Phase 2: This continues to move forward, and we are down to the last five locations.

DDoS Mitigation Service: We have expanded the platform to the egresses. This is in production.

FirstNet: We have 78 FirstNet sites that are operational. With the recent weather issues, the backup service has worked very well for the State and ICN.

Security Awareness Training: Thank you to everyone for completing the training.

Outside Plant: In May we had 20 new projects, our average is 20. We had three billable projects for Executive Council.

OpenGov: With OpenGov, it gives a chance to have a master database. The CRM product will be tied to OpenGov. We cannot get to automation until a CMDB is in place, which will make us more efficient.

COMMENTS

Commissioner Mason asked with the DDoS platform upgrade, we are getting better protection. How are we billing?

Scott Pappan said, we have pushed the DDoS platform out to the egresses. We added a second A10 box. As of July 1, the cost for our DDoS Mitigation service increases to offset those additional expenses.

Administration & Facilities Updates

Facilities and TAC Update – Patrick Kazeze

Project Management Team

- Finishing up projects to close out the Fiscal Year.
- Working on workflow as there is an increase in Zoom orders.

TAC

- The State was impacted by an outage caused by flooding. ICN services remained up the entire time and our NOC fielded hundreds of calls from customers who receive their services from the vendor. Referred them on to the vendor's help desk. While this was unfolding, we received a call for assistance from the Department of Administrative Services (DAS) who reported that they had several circuits fed by the vendor that were down. TAC jumped in and began troubleshooting right away and spent the next two weeks collaborating with DAS, vendors and the NOC to get those services restored on the Capitol complex.
- Completed work for the Department of Education. Installed fiber cabling and creating pathways between telecom rooms on the second and third floors in the Grimes Building.
- Working on a project for the Iowa Judicial Branch involving CAT 6 cabling to support new circuits.
- Working on a project for On With Life in Ankeny.

Facilities

- Assessing the storm damage and following up on after action reports from the Greenfield tornado. We did have 6 generators that we used.
- Sac City and Indian Hills Community College projects are completed.
- Currently working on Indianola high school site move.

- The Denison school site will be relocated, which will take through the fall or winter.
- Orient-Macksburg school will be dissolving, which will affect the Network.
- The team is working on two large HVAC projects: Lucas State Office Building and JFHQ in Johnston. The high temperatures last week stressed both the legacy system at the Lucas building and the temporary units at JFHQ where we had to have an outdoor chiller brought in. We are on hold awaiting the new chiller. The new indoor units have successfully been installed and plumbed. The Lucas HVAC project is currently open for bidding.

Flooding Update

- We sustained heavy damage that impacted a Part I site in Sheldon located in O'Brien County. Due to the washouts caused by flooding, we had two separate fiber cuts hours apart.
 - The first one was submerged by 2 feet of water and we had trouble getting to the site because of road closures from the flooding. Once onsite, we waited approximately 5 hours for the river water to recede enough to begin emergency repair.
 - The second cut was reported between Sheldon and Sibley. It was submerged and had been washed out where it crosses the Otter Creek near Highway 60. Contacted the Iowa DOT to get permission to string a temporary cable across the bridge.
 - 37 circuits were impacted. A team of 18 worked together to get full restoral of services. The team was comprised of 12 FNS technicians and a vendor that had 6 employees.
 - As far as 911, we had six sites that went live with our Firstnet Cradlepoint backup.

COMMENTS

Scott Pappan added when the downtown facility affected us, we took all the 911 traffic and moved it. We supported the State of Iowa with the failover that we had in play during that crisis.

Commissioner Boal asked what is happening in the Lucas State Office Building?

Patrick Kazeze said, we are replacing our heating and ventilation system. The current system that we have is original to the building of the Network. We actually added an extra chiller to it, there are three chillers, which are 32 and 35 years old. They have out lived their lifespan twice. Typically, around the 15-year mark one thinks about replacing the equipment, but we have been able to keep them maintained and serviceable. This project has been in discussion for a while.

Chair Olson asked if we are on flood watch as the water moves south?

Patrick Kazeze said yes. We have dedicated one team member on the Facilities side, and he tracks all the rivers for flooding and water recession. We are getting daily updates.

Other Business:

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

Chair Olson began by saying this type of review has not been done in years past.

Mark Johnson said right now we are tracking about 1,700 contracts. We are always signing new agreements on a regular basis. In the recent past, the contracts have never been officially brought to the Commission for approval. There may have been official approval given when the Network was built in

the 90s. The question will become for the Commission, is this something that you want to do on a regular basis, and if so, what are the parameters (e.g. size of the contract) that would determine when the Commission wants a contract to come back for approval? Rather it be an agenda item, it would be better to setup some criteria. The contract authority itself under the statute is vested in the Commission, and it is usually delegated to staff by the Commission to move it forward.

Chair Olson asked if there was any discussion.

Commissioner Mason said, most contracts are not equal to 20% of our typical annual budget. This one did catch some attention. From what I hear, leadership has made great progress getting it worked out. Congratulations to the team. I do think the Commission ought to be involved in highly significant large purchases. We approve the budget and other big things.

Commissioner Sturm echoed Commissioner Mason’s compliments to the staff. I have had some background on the contract and the depth of the conversations. I appreciate all the background. I also believe what Mark said, the Commission should look at what we want to do as it pertains to contracts and budgets. I would recommend thinking about a subcommittee.

Commissioner Sturm moved to approve the FNS contract as recommended by the ICN Management team. Commissioner Boal seconded the motion.

Chair Olson asked for any additional discussion. There was none and a roll call vote was taken.

- Chair Steve Olson - yes
- Commissioner Boal - yes
- Commissioner Holz - yes
- Commissioner Mason - yes
- Commissioner Sturm - yes

Motion passed.

ITTC Committee Updates – Staff/Commission

Personnel Committee – Mark Johnson

Meeting Date: No meeting

Mark Johnson did provide an update to the Commission regarding the executive director appointment by the Governor. Chair Olson and Mark Johnson met with the Governor’s staff a couple of weeks ago. They have started the process, but it has not fully been setup as to how an appointment will move forward.

Finance Committee – Mike Cruise

Meeting Date: June 17, 2024.

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

Topics Covered:

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

Customer and Services Committee – Stephanie DeVault

Meeting Date: June 19, 2024.

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

Topics Covered:

- Presented what was listed today.
- Potential sales and numbers for next year.

Technology/Operations Committee – Scott Pappan

Meeting Date: June 19, 2024.

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

Topics Covered: Vendor outage.

Public Comment:

Commissioner Holz added that since the Commission previously selected the executive director on a number of occasions, we have offered the availability for the Commission to participate in anyway that would be appropriate.

Chair Olson added that there will be some follow-up in regards to contract oversight.

Adjournment:

The ITTC meeting adjourned at 11:16 AM.

ATTESTED TO:



Steve Olson – Chair, Iowa Telecommunications and Technology Commission