



**Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 East 14th Street, Des Moines, IA 50319
Meeting Minutes November 25, 2024**

FINAL

The Iowa Telecommunications and Technology Commission's meeting occurred on Monday, November 25, 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
Matt Behrens, Representing the Chief Information Officer, Ex-Officio Member

Commissioners Absent

John McCormally, Representing the State of Iowa Auditor, Ex-Officio Member

Iowa Communications Network Staff

Ryan Mulhall, Executive Director
Scott Pappan, Chief Technical Officer
Patricia Townsend, Chief Financial Officer
Mike Cruise, Director of Finance
Patrick Kazeze, Director of Networking and Engineering
Stephanie DeVault, Director of Business Services
Brian Clayton, Executive Officer 2
Lori Larsen, Executive Officer 2 (Recorder)

Guest Attendees

Connor Kuehl
William George, DOM DoIT
Daniel Stalder, ICA
David Merchan, AAG
Joey Lovan, LSA
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 October 28, 2024 Meeting Minutes:

Chair Olson requested a motion to approve the October 28, 2024, meeting minutes. Commissioner Sturm 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

- ITB for Connection to Denver: ICN continues to consider offers.
- Transport to Chicago: Released an ITB for four 10Gb wavelength transport between Quad Cities and Chicago; bids were due November 18 and are being evaluated.
- Disposals – Surplus: We received an offer for \$15,556.82, which was accepted. We are working on staging the equipment for pick up.
- Master Telecom Agreements: Evaluating pre-qualification contracts with intent to award currently being worked.
- Decorah Metronet: Installed with BTOP funds. We are working on a 5-year renewal.
- Managed Voice for HHS-IME: Adding additional years and potential upgrade to Fed Ramp.
- Judicial wireless backup: Working on SOW for using Cradlepoint devices for back up.
- Tech Labor: Working on prequalification for vendors that we can use for data and phone labor services.
- Part III ITB: This is for sites due to be renewed for FY26. We have 33 sites; this will be released by December 31.
- Working on various support and fiber renewals.

COMMENTS

None

Finance Update – Mike Cruise

Report Changes

- Added details for OSP new builds and repair cost recoveries to both the lead sheets and OSP detail sheet.
- Working on adding detail to separate MRC from one-time revenue.

Monthly Revenues and Expenses:

The month of October resulted in an operating margin of negative \$281,556, which is negative 11.0% of revenue. This is \$20,163 favorable to the budget which was negative \$301,719.

MRC revenues were unfavorable for the month by \$3,273. This may be more defined going forward. New fiber build revenue was near budget and cost recoveries were \$47,927 unfavorable to the budget. Direct expenses were unfavorable to budget by \$105,000. The biggest impact here was a YTD trueup for voice expenses.

Total allocated indirect expenses are a combined \$78,000 favorable to budget. Operating expenses were \$90,000 unfavorable, which included catch up for Utilities invoices for JFHQ and a Part II site for the electricity.

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

Through October, we now have an operating margin of negative \$1.3M which is \$160,000 unfavorable to the budget, which is negative \$1.14M. MRC is \$20,000 below budget while OSP new project revenue is down \$308,000 and cost recovery is positive by \$133,000. Direct expenses are now \$181,000 unfavorable to budget through October. Total allocated expenses are \$216,000 favorable to budget.

Comparison to October FY 2024:

Revenue is favorable by \$89,000 with MRC favorable by \$19,000. Direct expenses are \$81,000 unfavorable. Allocated expenses are a combined \$114,000 unfavorable. Overall, we are \$107,000 unfavorable to last October.

YTD comparison to October FY 2024:

Revenue is unfavorable by \$231,000, but MRC is \$48,000 favorable. Direct expenses are \$171,000 unfavorable. Allocated expenses are a combined \$724,000 unfavorable. Overall we are \$1.1M unfavorable comparatively through October FY24.

Other:

OpenGov is nearing completion of the budgeting validation. End-to-end solution review will be next week and customer transition to the maintenance team will be the following week. We will begin looking at the Requisition and Financial pieces with a target of 2/15/25 for Requisitions.

COMMENTS

Commissioner Mason started a discussion about the revenues.

Patricia Townsend said it is a work in progress. We are working on the revenue side, trying to make sure we have both significant one-time projects, as well as creating new revenue streams with monthly or annual recurring. Also making sure on the expense side that we are trying to control costs wherever possible. We are in the process of working towards the five-year forecast.

Commissioner Sturm said ICN has the cash flows to get through the deficit in the short term as they work through the five-year plan. We had a good discussion in the finance committee.

Patricia Townsend said that is a great point. It is short term, we are trying to make sure we get this corrected.

Commissioner Mason asked about cash reserves.

Mike Cruise said we set aside \$2M. We have \$1.3M that we are setting aside as our match money from a couple of grants that we had a few years ago.

Scott Pappan provided additional information about appropriation dollars, FCC discussions, and the Judicial project.

Commissioner Sturm asked for Patricia Townsend to clarify in a future finance committee meeting appropriation dollars. Commissioner Sturm also recalled that ICN has a significant number amount of cash on hand.

Mike Cruise said we are still within our acceptable range.

Patricia Townsend said that ICN has reviewed the Cash Flow Management policy. We have not reached the point where we need to make incremental steps.

Business Services Update – Stephanie DeVault

Service Updates: No new customers & no new waivers.

Order Highlights

We have three potential new services that we are trying to move under ICN.

1. Managed equipment for failover. A customer brings in diverse circuits.
2. Granite: Failovers for elevator lines. LECs have increased pricing for POTs lines, 1fbs and DSLs. These services with Granite would help eliminate expensive lines that customers need to function for the day-to-day operations. This also allows for an alternative for elevators and fire panels, which was a request from DAS.
3. Oracle Cloud: There are some savings if we onboard to Oracle Cloud.

E-Rate Update, Education

We see the Iowa Department of Education's bid is out. There have been 46 E-Rate Category 1s that have been filed. 55 Category 2s that have been filed. Many of these ICN can't provide services. ICN has responded to four category 1 requests and two category 2 requests.

Closed Opportunities

- City of Des Moines: Building fiber and moving fiber. Colocation service in JFHQ.
- Two PSAP orders: Clinton County including shared services and FirstNet. Des Moines PD includes shared services and Cradlepoint.
- Iowa Veterans Cemetery: We are finalizing fiber, and the TAC team cabled the infrastructure. Their Zoom order is received.
- Iowa Attorney General's Office added Zoom service.
- IPERS: Upgraded and renewed connections.
- Iowa Homeland Security Emergency Management: We are working on a backup SIM for failover.

Marketing and Communications:

- Our Peer to Career session was on November 4. Our guest was Oracle.
- The SYBAC students met on November 12 with Matthew Miller from the Iowa Department of Transportation who provided information about automated vehicles and traffic flow.
- Stephanie DeVault presented to a healthcare group from UnityPoint and Broadlawns.
- We will have a virtual Security Exchange Series for technical users on Dec 18 and Feb 5.

- ICN released the annual report on November 18, 2024.
- We continue updating social media, the website, and online documents.

COMMENTS

- None

Network Services Updates

Network Operations & Security Update – Scott Pappan

- **Aggregation Replacement:** 67 sites are completed with 89 sites ongoing. The team will move 12-14 replacements per month.
- **Judicial backup service:** Scope of Work and contract is in progress. 100 sites initially, increased to 117 sites.
- **DAS Point of Sale:** Bringing connectivity to elevators and fire panels. DAS asked for a complete proof of concept.
- **VPN:** Coming close to an end.
- **DOT Upgrades:** A 5-year contract with 114 sites. In the last 3 weeks, 108 of the 114 have been upgraded and installed.
- **State Firewall Decentralization:** We have two sites left, anticipated to be completed in six months.
- **DDoS Mitigation Platform:** We are working on an enhancement. We are still using the older legacy platform.
- **FirstNet:** Includes 79 PSAPs. This project will be replicated with the Judicial project.
- **Virtualization Platform:** Bids are in and should be awarded soon. We will be awarding the platform HP and Dell.
- **Denver Route:** The Denver IXP route to Coresite is being engineered and installed.
- **City of Des Moines:** We are working on colocation services.
- **BOREAS/Internet2:** We are looking to be the backbone/facilities for Internet2. We welcome that opportunity. It gives us another route to Chicago and places us on-net to Equinix.
- **FNS Audits:** They have 225+ locations in an audit completed.
- **Outside Plant Update:** 23 new projects, 6 billable, 1 for the executive council, 1 USIC, 1 DOT, 1 Des Moines Public Schools, 1 MetroNet, and we closed 20 projects.

COMMENTS

None

Facilities and TAC Updates – Patrick Kazeze

Outside Plant

We have seen a decrease in fiber cuts looking back at this same period of time last year. We were averaging 4.5 cuts a month. We have seen a trend in fewer cuts. We know this is temporary, and we anticipate that it will pick up.

TAC

- Work in Adel for the Iowa Veterans Cemetery. Brought in CAT6 Copper to support new workstations in 49 data drops.

- Work in Fort Dodge on behalf of the Department of Health and Human Services, Child Support Services offices. They conducted both fiber and CAT6 copper to support 18 new workstations and an IT cabinet.
- Work in Mason City to support fire panels as part of an upgrade to the infrastructure.
- Working with the Iowa Board of Appeals and the Department of Inspections, Appeals and Licensing.
- Continue to work in the Hoover State Office Building on a multitude of projects.

Facilities

- There was an issue tied to a maintenance window at Kirkwood Community College. The school was performing piping work. We saw room temperatures rise to a sustained 85 degrees for about four hours. Fortunately, as the maintenance window was closing, the campus and ICN techs were able to restore cooling bringing temps back down to around 66 degrees.
- The City of Des Moines will be moving into JFHQ Colocation space. Ensuring we have adequate power to accommodate our new customer.
- JFHQ Cooling: We had lost all cooling in the data room earlier in the month. Prompt response from the vendor and Camp Dodge public works discovered that electricians were performing work in the area and had inadvertently shut down a mislabeled breaker that supported the chiller. They were able to restore the power and bring the chiller back online, and room temps stabilized.

Operations

November marked the election month. We support the Secretary of State's election circuits. We worked closely with DOM DoIT, Army, and Air Guard in monitoring the traffic on that network. One of the IPs was pinged 3 million times in an attempt to gain entry. With the coordination of our team, DOM DoIT, Army, and Air, we were able to successfully block all attempts trying to gain access to the Network.

COMMENTS

Scott Pappan explained our firewall approach.

Other Business:

ITTC Committee Updates – Staff/Commission

Personnel Committee – Executive Director Mulhall

There was no personnel committee meeting for November.

Finance Committee – Mike Cruise

Meeting Date: November 18, 2024.

Attendance: Commissioner Holz, Commissioner Strum, Executive Director Mulhall, Patricia Townsend, Brian Clayton, and Mike Cruise.

Topics Covered:

- Contracting update.
- The FY25 budget-to-actual as presented today.
- Discussed the report changes and took requests for more detailed information.

Customer and Services Committee – Stephanie DeVault

Meeting Date: November 20, 2024.

Attendance: Commissioner Mason, Commissioner Boal, Stephanie DeVault, Patrick Kazeze, Eric Porter, and Lori Larsen.

Topics Covered:

- Presented what was listed today.
- Upcoming forecast, funnel, and products.

Technology/Operations Committee – Patrick Kazeze

Meeting Date: November 20, 2024

Attendance: Commissioner Mason, Commissioner Boal, Scott Pappan, Patrick Kazeze, Stephanie DeVault, Eric Porter and Lori Larsen.

Topics Covered:

- Touched on firewall and hiccups.
- Ongoing issues with the Iowa Department of Transportation.

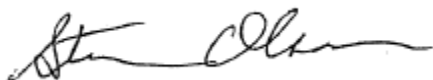
Public Comment:

None

Adjournment:

The ITTC meeting adjourned at 11:14 AM.

ATTESTED TO:



Steve Olson – Chair, Iowa Telecommunications and Technology Commission