



**Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 East 14th Street, Des Moines, IA 50319
Meeting Minutes February 19, 2026**

FINAL

The Iowa Telecommunications and Technology Commission's meeting occurred on Thursday, February 19, at 11:00 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
Brett Mason, Member
Denise Sturm, Member
Bob Holz, Member

Commissioners Absent

Carmine Boal, Member
Matt Behrens, Representing the Chief Information Officer, Ex-Officio Member
John McCormally, Representing the State of Iowa Auditor, Ex-Officio Member

Iowa Communications Network Staff

Ryan Mulhall, Executive Director
Scott Pappan, Chief Operating Officer / Chief Technology Officer
Patrick Kazeze, Director of Networking and Engineering
Stephanie DeVault, Director of Business Services
Connor Kuehl, Director of Facilities, Cable Plant, NOC
Mike Cruise, Director of Finance
Tyler Smith, ICN Legislative Liaison
Brian Clayton, Executive Officer 2
Lori Larsen, Executive Officer 2 (Recorder)

Guest Attendees

Eunice Olson, member of the public
Ray Warner, Aureon
David Merchan, Iowa AAG
Sammie Leo, Iowa AAG
Joey Lavan, LSA

Call to Order:

Chair Olson called the meeting to order at 11:00 a.m. It was noted that a quorum was present.

Approval of the January 15, 2026, Meeting Minutes

Chair Olson requested a motion to approve the January 15, 2026, 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

- NG911 SIP – Staff is working on four Points of Interface.
- We are working with Chariton Valley Elec Coop for pole attachments agreement for the fiber build.
- United States Department of Agriculture (USDA) – Service contract holder changing from 3rd party, federal contractor to an agreement directly with the USDA.
- Many other issues and contracts.

COMMENTS

None

Finance Update – Mike Cruise

Financial Ratios.

- Quick ratio is 1.65. This is up 0.02 from last month and is still below the goal of 1.75. As a reminder, this is a measure of short-term liquidity. A major factor was a \$229,000 increase in the cash and AR balance.
- Days Cash on Hand (*Current*) is at 42.76, which is up 4.56 days from last month. This is a measure of the ability to meet daily operating expenses. Average daily expenses dropped about \$1,000 per day.
- Days of Sales Outstanding is at 41.61 days. Measure of days it takes to collect a payment for our billing. We don't have a specific goal set, but I would say in our situation anything close to 30 days would be good.

Budget-to-Actual

Overall operating margin for the month was positive \$134,734, which was \$19,000 unfavorable to the budget of \$154,000.

- a. Recurring revenue was favorable to the budget for the month by \$16,000. So, all seven months of the fiscal year have been above budget.
- b. Nonrecurring Charges (NRC) was also favorable at \$7,000.
- c. OSP new build revenue was also favorable by \$45,000.

- d. Direct expenses were \$75,000 unfavorable.
 - a. Almost all unfavorable variances are related to voice.
- e. Indirect expenses were \$5,000 favorable.

Year to Date (YTD)

YTD operating margin is now negative \$557,000 which is \$340,000 unfavorable to budget.

- a. Recurring revenue is above the budget by \$356,000. NRC is favorable by \$139,000. Combined OSP revenue is below budget by \$36,000.
- b. Direct expenses are \$1.05M unfavorable.
- c. Indirect expenses are \$251,000 favorable.

Both monthly and YTD comparisons to last year are favorable, monthly = \$612,000, YTD = \$1.3M.

All good metrics for the month and nothing exceptional to report.

Other

Starting Business Support Systems/Operations Support Systems (BSS/OSS) implementation with daily meetings to work on system building, particularly the product catalog which will create one consistently used by operations and finance, whereas now we do not have a one-to-one relationship between services in ServiceNow and how we bill our customers.

FY27 budget timeline.

- Begin with a leadership meeting on March 4.
- Draft will be distributed to the ITTC Finance committee on May 1.
- Final draft will be distributed to the full ITTC by May 14, with the intent of submitting it for approval in the May meeting.

COMMENTS

There was a discussion about outside plant recovery.

Business Services Update – Stephanie DeVault

In January, Business Services closed with \$17,530.81 in revenue and 53 opportunities. The team exceeded the sales goal by \$30.81, reaching 101.7% of the monthly target. We reached 105% of our goal with 3 opportunities closed.

- E-Rate Update: 279 form 470s filed for the State of Iowa. Of those 47 existing ICN services, 42 are for new services we can bid on. The ICN has bid on 75 of them. We have been awarded 8. Lost one existing service.
 - Category 2 is managed firewall. We have solicited 5, submitted 2, and been awarded 1. We are in the process of ordering their firewall.
- USF/TRS Audit: Working on auditing and revising 499 certifications.

- Auditing the DMS500 – All services have transitioned off the DMS to Aureon.
- Project Management (PM) – 78 new orders came in January. Of those orders, 26 closed in the same month. The PMs have 178 orders that are currently in flight.

Marketing and Communications

- The Peer to Career group met on Feb 9 with Adesta.
- The SYBAC session was on February 10 with the University of Iowa, Automated Vehicles Transportation, Driving Safety Research Institute.
- The article announcing our Denver Path made the Telecompetitor and broadband community online news.
- Working on Interstate Transport letters/audit for customers and vendors.

COMMENTS

Executive Director Mulhall provided an update regarding the USF contribution and the importance of correct categorization. To maintain the common carrier status, Director Mulhall noted that the agency is working to reduce the \$40,000 monthly USF contribution to \$0. In 2014, the rules changed and a retroactive review of these contributions is necessary.

Network Services Updates

Network Operations & Security Update – Patrick Kazeze

Homeland Security Exercise – We started the month with a cybersecurity and incident response exercise. We have a follow-up exercise in April.

Managed Service Provider (MSP): We've been approached with an opportunity to serve Grant Wood AEA 10. They serve 42 school districts and have pitched the idea of ICN being a Managed Service Provider (MSP). The term MSP encompasses a wide range of services. Never one to turn down an opportunity to serve our public schools, we are interested and have engaged in meaningful discussions.

Network Forecasting: With a 5-year budget cycle, Operations has been working closely with Finance and Facilities to establish a manageable life cycle plan for all of our hardware and infrastructure. The core upgrade was completed last summer and our aggregation upgrade is well over 50% complete. We are looking at our network edge. Like the first two projects, this will be a multi-year project that we hope to kick off next summer as we begin FY28.

100Gig route to Denver: We have been introducing traffic to this route and this past weekend we migrated off our old 10Gig Gigamon to the larger 100Gig-capable ones. This will allow us to get more traffic.

BOREAS Ring to Chicago: Our focus now is to get the 100Gig route on the BOREAS Ring to Chicago and get that turned up. We are very close at this point.

COMMENTS

None

Facilities and Inside Plant (TAC) Updates – Connor Kuehl

Increase Revenue

- We are wrapping up our initial product development to assist education clients with managed network service.

Decrease Expense

- We continued to work with Business Services to decommission the legacy voice switch and 13 of 32 cabinets are turned off.
- With Finance, we continued to draft our chart of accounts and have started trial coding expenses and making team budgets.
- We continued several projects to renew or reengineer legacy connections before they become expensive.

Make Our Jobs Easier

- After we finalized the SOW, we are diving deep into our foundational data, starting with our Product Catalog. This presents an opportunity to reshape our collective understanding and ability to see the common operating picture.
- We continued to gradually improve our Project Portfolio Management and build upon a completed Knowledge Management goal (annual purge) and the team is developing best practices and internal training guides.

COMMENTS

Identifiable DMS savings total \$678,000. Staff continues to identify additional cost-saving categories

Other Business:

Legislative Update – Tyler Smith

The Governor’s Office introduced two significant study bills, SSB 3149 and HSB 709, that center on the long-term governance and operations of the ICN. Both bills have advanced to floor debate. HSB 709 is now HF 2590. SSB 3149 is now Senate File number 2385. We will continue to closely monitor these bills and for any legislation relating to the ICN and the DOGE recommendations.

This week was the first funnel of the session. Commissioner Sturm’s appointment is on our radar, expiring on April 30, 2026.

As the session moves forward, we will keep the Commission apprised of any changes in activity.

COMMENTS

None

ITTC Committee Updates – Staff

Finance Committee

Meeting Date: February 16, 2026.

Attendance: Commissioner Holz, Commissioner Sturm, Mike Cruise, Brian Clayton, and Director Mulhall.

Topics Covered:

- Discussed what was presented today.
- Provided the update from contracting.
- The FY26 budget-to-actual as presented today and talked about the FY27 budget timeline.

Customer and Services Committee

Meeting Date: February 18, 2026.

Attendance: Commissioner Mason, Stephanie DeVault, Patrick Kazeze, Connor Kuehl, Scott Pappan, and Lori Larsen.

Topics Covered:

- Discussed what was presented today.
- Projects in the near future.
- DMS conversation.

Operations Committee

Meeting Date: February 18, 2026.

Attendance: Commissioner Mason, Stephanie DeVault, Patrick Kazeze, Connor Kuehl, Scott Pappan, and Lori Larsen.

Topics Covered:

- Discussed the potential sale of the ICN and impacts it may have.

Personnel Committee

No meeting for February.

Public Comment

Executive Director Mulhall addressed pending legislation regarding the potential sale of the ICN. He noted that while similar proposals have existed since the network's inception, the agency remains focused on its current priorities. We will continue to focus on our priorities as an agency.

Scott Pappan said we are setting the standard in the industry. When we transitioned the DMS, we did not do it ourselves. One of our partners has been Aureon. It has been a wonderful relationship.

A discussion occurred regarding the ICN's messaging and understanding the ICN services offered and value.



Adjournment

The ITTC meeting adjourned at 11:33 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