



IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Barb Kniff McCulla
CHAIR

Timothy L. Lapointe
Jeff Franklin

Robert F. Holz
Rob Sand

Kelly Dolan Lange

Philip Groner, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 E. 14th Street, Des Moines, IA 50319

FINAL
July 18, 2019

To ensure the most efficient use of State resources, the July 18, 2019 ITTC meeting was held via video conference pursuant to Iowa Code section 21.8. A video conference also ensured that more Commissioners were able to participate in the meeting and reduced the risk of delays caused by weather or other impediments to travel. The meeting was accessible to members of the public through attendance at the Grimes State Office Building and via video conference.

Roll Call:

○ **Commissioners Present:**

Barb Kniff McCulla, Chair
Timothy Lapointe, Member (LightSpeed Plus Video)
Bob Holz, Member
Kelly Dolan Lange, Member (LightSpeed Plus Video)
Jeff Franklin, Ex-Officio Member

○ **Commissioners Absent:**

John McCormally, Representing Rob Sand, Ex-Officio Member

○ **Iowa Communications Network Staff Present:**

Phil Groner, Executive Director (LightSpeed Plus Phone)
Deb Evans, Agency Division Administrator, Chief Financial Officer (CFO)
Mark Johnson, Carrier Services Division Administrator, Chief Operating Officer (COO)
Mike Cruise, Finance Bureau Manager
Dave Marley, Field Services Officer
Lori Larsen, Executive Officer 2 (Recorder)
Karen Alessio, Secretary 2 (LightSpeed Plus Video)

○ **Guest Attendees:**

Kristi Traynor, Attorney General's Office
Ryan Tunink, Attorney General's Office
Ray Warner, Aureon
Sean Cory, CenturyLink
Taylor Teepell, CenturyLink

Call to Order:

- Chair Kniff McCulla called the meeting to order at 10:30 AM. It was noted that a quorum of members was present for the meeting.
-

Iowa Communications Network

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319 Phone: 515-725-4692 Fax: 515-725-4727 www.icn.iowa.gov

BROADBAND STRONG
STRONG FLEXIBLE FAST



IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Barb Kniff McCulla
CHAIR

Timothy L. Lapointe
Jeff Franklin

Robert F. Holz
Rob Sand

Kelly Dolan Lange

Philip Groner, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

Approval of the June 20, 2019 Meeting Minutes:

Chair Kniff McCulla requested a motion to approve the June 20, 2019 meeting minutes. Commissioner Holz moved to approve the minutes. Commissioner Lange seconded the motion. The motion passed unanimously.

Old Business:

- None

New Business:

- **Agency Updates**

- **Finance Update – Mike Cruise**

June Fiscal Year (FY) 2019 Budget-to-Actual Report:

- Monthly Revenues and Expenses:
 - The month of June resulted in an operating margin of \$355,507.20 or 11.4%. This is favorable by \$344,126.20 compared to the budget of \$11,381.
- Year-to-Date Revenues and Expenses:
 - The June year-to-date operating margin was -\$1.62 million, which is unfavorable by \$265,000 compared to the budgeted operating margin of -\$1.36 million.
- June Comparison to FY 2018:
 - The operating margin for June FY 2019 is \$551,000 favorable compared to June FY 2018. Revenue increased by \$517,000.
- Year-to-Date Comparison to FY 2018:
 - The June year-to-date margin of -\$1.62 million is \$298,000 favorable to the FY 2018 margin of -\$1.92 million.

There were no unusual issues to report. The final FY 2019 report will be presented at the October meeting.

COMMENTS:

Phil Groner: ICN ended the FY on a high note in June. This is excellent news. I want to recap our overall strategy regarding the finances. ICN has a lot of infrastructure projects currently underway. These infrastructure projects are to remove the legacy network and legacy equipment and replace it with new. I'm referencing the core upgrade, power and HVAC upgrade, the removal of TDM (Time-division multiplexing), and our move to managed voice service (MVS). The Voice migration should be completed in September, which will allow us to remove our legacy Voice platform. All of this is designed to reduce expenses. Currently ICN has both network expenses, as we implement the new network and maintain the legacy network. The plan is to also remove the maintenance costs associated with the legacy network.

Iowa Communications Network

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319 Phone: 515-725-4692 Fax: 515-725-4727 www.icn.iowa.gov

BROADBAND STRONG
STRONG FLEXIBLE FAST



IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Barb Kniff McCulla
CHAIR

Timothy L. Lapointe
Jeff Franklin

Robert F. Holz
Rob Sand

Kelly Dolan Lange

Philip Groner, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

We do have new products and services that we are consistently evaluating and rolling out, particularly in the cybersecurity arena. We have new customers with our MVS platform, which is a flexible and scalable service. This year we should see the bulk of the 911 merge of the two networks (wireline and wireless), which will account for significant revenue. Randy, Deb, and Mike's teams evaluative pricing of our services. We feel that we are becoming more cost-effective and competitive with our services and drawing in more customers.

Commissioner Lapointe: I talked with Phil during our weekly meeting, and he presented the overview that he did today. The overview set my mind at ease, since I was concerned about the higher negative numbers. I think it is time to be vigilant, but I don't think it is time to be overly concerned. I trust that the leadership team is on top of this, and we need to be careful and vigilant right now. I appreciate the report.

o **Business Services Update – Randy Goddard**

- o Managed Voice Service (MVS):
 - Recent migrations: DSP Fleet Supply
 - One site remains in the migration of the legacy voice to MVS.
 - On schedule to be completed with the migrations by the end of September.
- o Iowa Homeland Security & Emergency Management (HSEMD) and 911 Project Wireline and Hosted Public Safety Answering Point (PSAP) Equipment:
 - Hosted PSAP Solution: Of the 20 PSAPs that committed to move to the hosted solution (removes site equipment and moves to the cloud), the initial four sites are up and operational. Five additional sites have been engineered, and are ready to be migrated to the hosted solution. Eleven additional PSAP orders will be submitted.
 - HSEMD has placed an additional order for a fiber build.
- o ICN joined several state agencies in updating the FEMA Communications Annex for the State of Iowa. This is used during the times of disaster. ICN will continue to participate in the stakeholder review to finalize the annex. This is FEMA's version of the federal Continuity of Operations (COOP) and Continuity of Government (COG) plan.
- o Iowa Rural Health Telecommunications Program (IRHTP):
 - ICN met with the Iowa Hospital Association Board on July 8 to provide a network update.
 - Continue to move forward with target date of completion by the end of September.
- o E-rate:
 - The funding year 2020-2021 E-rate season opened July 1 for form 470 filing. The form 470 is the school and library application for telecommunications services.
 - FCC released a Notice of Rulemaking for open comments regarding making category 2 funding permanent (internal cabling, hardware, etc.).
- o Outreach:
 - School Administrators of Iowa Annual Conference, July 31, Des Moines.
- o Opportunities:
 - Investment in infrastructure: With our Network Core upgrade, ICN was able to respond to two separate customer requests for 10Gb and one RFP for 100Gb of service. Not many users within the State of Iowa are using that type of bandwidth.

Iowa Communications Network

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319 Phone: 515-725-4692 Fax: 515-725-4727 www.icn.iowa.gov

BROADBAND STRONG
STRONG FLEXIBLE FAST



IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Barb Kniff McCulla
CHAIR

Timothy L. Lapointe
Jeff Franklin

Robert F. Holz
Rob Sand

Kelly Dolan Lange

Philip Groner, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

- Video rate information will be presented to the Commission during the August meeting. The Commission will have an action item during the September meeting regarding video rates.
- Marketing and Customer Support
 - Creating sales sheets for Managed Local Area Network (LAN) and Wireless LAN.
 - Continuing to create customer training videos.
 - Statewide Youth Broadband Advisory Council (SYBAC) – Applications were reviewed and notifications of acceptance were sent to students. Meetings start in September.

COMMENTS:

Q – When does the 470 process close?

A – Last year the 470 form process closed on February 27, and the 471 process closed on March 27. I would expect similar timeframes.

○ **ICN Carrier Updates**

○ **Network Services Update – Mark Johnson**

- Outside Plant:
 - We responded to five fiber cuts in the last month, with two of the cuts being non-service impacting. This total is not outside the norm during construction season.
 - Two of the cuts were determined to be the fault of the contractor; one was the result of an error with locate; and two are still to be determined.
 - ICN has been successful in getting the contractors at these sites involved in assisting with the excavation and repair, whether or not they were at fault, which does help mitigate the cost.
 - Cost Recovery
 - Continues to go well since a focused effort started approximately five years ago to ensure recovery from contractors who are at fault.
 - ICN generally recovers all money when an Executive Council (EO) claim is made due to natural causes (i.e. erosion), or when our locate provider is at fault, but historically we have struggled to recoup costs from contractors.

FY	# of projects written off	Total cost of write-offs	Total \$ Recovered
15	10	\$59,300	\$301,500
16	8	\$42,200	\$255,900
17	3	\$24,700	\$333,300
18	0	\$0	\$202,600
19	0	\$0	\$329,200 (\$30,000 outstanding EO claim)

- Personnel: An offer was made to the top candidate for the Telecom Engineer opening in Outside Plant. The offer was accepted, and the new engineer will be starting on July 26.
- ServiceNow:
 - ICN will be undergoing a major version upgrade on July 30.
 - After the upgrade, ICN will move to the Customer Service Management module (aka CSM).

Iowa Communications Network

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319 Phone: 515-725-4692 Fax: 515-725-4727 www.icn.iowa.gov

BROADBAND STRONG
STRONG FLEXIBLE FAST



IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Barb Kniff McCulla
CHAIR

Timothy L. Lapointe
Jeff Franklin

Robert F. Holz
Rob Sand

Kelly Dolan Lange

Philip Groner, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

- Customers will have better visibility into their interactions with ICN to track orders and trouble tickets.
- Increase security with respect to ICN's ability to manage what customers can do in the customer portal.
- Internally the goal is to utilize CSM to better configure workflows and enable staff to create internal workflows without the amount of coding that is currently required.

COMMENTS:

Q – What are the contributing factors occurring to recover the funding from contractors now that was not done in the past?

A – There has been more effort with our Outside Plant personnel being onsite when a cut occurs. It's a matter of staying on top of the issue, making contractors more aware, and contractors have been more responsive.

○ **Operations/Engineering Update – Dave Marley**

- 100GB Network Core Upgrade:
 - Approximately 30% of the 100GB core (Layer 2) has been installed (10 locations).
 - Burlington pending installation. Ottumwa is being configured in lab.
 - Updating router software (10 units involved).
- E911 Multi-Node Hosted Platform:
 - Currently working on new public safety answering point (PSAP) orders.
- E911 Wireline Network Project (TDM/Ethernet solution):
 - The solution has been engineered, tested, and completed.
 - Moving forward with telco systems installation that ICN has in-house.
- IRHTP/Healthcare Upgrades:
 - Configurations are being completed.
 - Orders are being submitted to the field (FNS) for core, aggregation, and edge (three layers).
 - Larger installation window has been opened for IRHTP (6 PM to 6 AM). This gives more time to get equipment deployed.
 - Beginning core and aggregation installs at JFHQ and Lucas.
- VMware Platform - Virtualization:
 - VMware provides the software that enables the ICN to provide virtualized services.
 - Circuits are engineered.
 - Orders have been submitted to FNS to install cabling/circuits.
 - This network will be for internal ICN customers.
 - We are in discovery for a customer facing virtual private cloud (VPC) solution.
- Managed Voice Service (MVS):
 - Six original migration orders to complete.
 - Working on engineering new customer orders.

Iowa Communications Network

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319 Phone: 515-725-4692 Fax: 515-725-4727 www.icn.iowa.gov

BROADBAND STRONG
STRONG FLEXIBLE FAST



IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Barb Kniff McCulla
CHAIR

Timothy L. Lapointe
Jeff Franklin

Robert F. Holz
Rob Sand

Kelly Dolan Lange

Philip Groner, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

COMMENTS:

None

Other Business:

o **ITTC Committee Update – Staff/Commission**

Customer and Services Committee – Randy Goddard

Meeting Date: July 10, 2019.

Attendance: Commissioner Lange, Commissioner Holz, and Randy Goddard.

Topics Covered:

- ICN's authorized user requests.
- New customers.
- Requests for waivers.
- Services: Storage and compute under ICN leadership review.
- Sales outreach.
- Customer complaints.

Finance Committee – Mike Cruise

Meeting Date: July 11, 2019.

Attendance: Chair Kniff McCulla, Commissioner Holz, and Mike Cruise.

Topics Covered:

- Reviewed reports as presented today.
- State accounting period 13 overview.
- Information still due to committee: Fiber Network Service (FNS) contract analysis and the 5-year budget projection.
- Contract updates.

Personnel Committee – Mark Johnson

Meeting Date: July 2, 2019.

Attendance: Chair Kniff McCulla, Commissioner Lapointe, and Mark Johnson.

Topics Covered:

- Update on the Outside Plant Engineering position.
- Informed committee that they would be made aware of any personnel issues associated with the executive director and/or the direct reports (e.g. completed performance reviews).

COMMENTS:

Q – How many community colleges do we have?

A – 15.

Q – Will we receive an email regarding the names and the high schools of the new SYBAC students?

A – Yes, when school begins we will make the official announcement.

Iowa Communications Network

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319 Phone: 515-725-4692 Fax: 515-725-4727 www.icn.iowa.gov

BROADBAND STRONG
STRONG FLEXIBLE FAST



IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Barb Kniff McCulla
CHAIR

Timothy L. Lapointe
Jeff Franklin

Robert F. Holz
Rob Sand

Kelly Dolan Lange

Philip Groner, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

Public Comment:

NONE.

Adjournment:

The ITTC meeting adjourned at 11:09 AM.

ATTESTED TO:

Barb Kniff McCulla - Chair, Iowa Telecommunications and Technology Commission

Iowa Communications Network

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319 Phone: 515-725-4692 Fax: 515-725-4727 www.icn.iowa.gov

BROADBAND STRONG
STRONG FLEXIBLE FAST