Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 E. 14th Street, Des Moines, IA 50319
FINAL
August 15, 2019

To ensure the most efficient use of State resources, the August 15, 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
  Steven Olson, Member
  Annette Dunn, Ex-Officio Member
  John McCormally, Representing Rob Sand, Ex-Officio Member
- **Commissioners Absent**:
  Kelly Dolan Lange, Member
- **Iowa Communications Network Staff Present:**
  Phil Groner, Executive Director
  Mark Johnson, Carrier Services Division Administrator, Chief Operating Officer (COO)
  Mike Cruise, Finance Bureau Manager
  Randy Goddard, Business Services Bureau Manager
  Ryan Mulhall, Network Services Bureau Manager
  Scott Pappan, Engineering/Operations Bureau Manager
  Dave Marley, Field Services Officer
  Lori Larsen, Executive Officer 2 (Recorder)
  Karen Alessio, Secretary 2
  Bob Schmit, Telecommunications Technology Enterprise Expert
- **Guest Attendees:**
  Chris Ubben, Legislative Services Agency
  Sean Cory, CenturyLink
  Scott Golberg, Fiber Network Services (FNS) (LightSpeed Plus Video)

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.

Introduction of New Commissioners:

Steven Olson: I am from DeWitt, Iowa. I served a couple terms on the Calamus School Board, the Grand Mound Telephone Association, and was in the Iowa House for 12 years. I have a wife, two kids, and four grandkids.

Annette Dunn: I was appointed by the Governor as the Chief Information Officer (CIO) for the State of Iowa. Previous to that, I was one of the Transportation Division Directors acting as the CIO at the Iowa Department of Transportation (DOT). I have also worked with winter operations for the DOT and support services (vertical infrastructure). I have a military background, and have worked with other state agencies. I have two sons, a husband, and live in State Center.

Approval of the July 18, 2019 Meeting Minutes:

Chair Kniff McCulla requested a motion to approve the July 18, 2019 meeting minutes. Commissioner Olson moved to approve the minutes. Commissioner Holz seconded the motion. The motion passed unanimously.

Old Business:

- None

New Business:

- **Agency Updates**
  - **Finance Update – Mike Cruise**

The July financials were delayed due to a programming error regarding recurring charges that occur in July (beginning of the fiscal year). It was decided the best decision would be to back out the billing and rebill our customers, which took a couple extra days. We did try to notify our customers to explain the situation.

July Fiscal Year (FY) 2020 Budget-to-Actual Report:

- Monthly Revenues and Expenses:
  - The month of July resulted in an operating margin of -$365,004.83 or -13.7%. This is unfavorable to the budget of -$138,321.00 by $226,723.83. Major factors in July were revenues being down, a large Outside Plant project that was completed in July, and several annual expenses that we pay upfront for the entire year. ICN expects July to be negative.
- July FY 2020 Comparison to July FY 2019:
  - The operating margin for FY 2019 was -$509,000, so FY 2020 was favorable by $144,000.

The final FY 2019 report will be presented in the October meeting.

COMMENTS:

Q: Chair Kniff McCulla – With the changes that the Operations Bureau are doing, will the numbers get better as we move forward and remove some of the old pieces out of our systems?

A: Mike Cruise – Yes, as we have new products, we should see better revenues going forward. We should see better results from our Managed Voice Service (MVS) too, since 95% of customers will be migrated over to the new platform. We have also done a lot of cost saving measures.

- **Business Services Update – Randy Goddard**
  - Managed Voice Service (MVS):
    - Background: In the past, ICN provided all the Voice switching, it was a capital expenditure, and we owned all the equipment and did all the administration. A decision was made years ago to partner with CenturyLink. They handle the switching, and we do the management and administration for the customer.
    - To date, we have 140 sites that have been migrated over, with over 7,500 seats.
    - Upcoming migrations and new sites: Fort Madison Corrections and Mitchellville Corrections, Dept. for the Blind, Iowa Homeland Security, and the Office of the Chief Information Officer (OCIO).
    - On schedule to be completed with the migrations by the end of September with a total of 8,000 seats.
    - Ninety-nine (99) percent completed with the Voice encryption.
  - Iowa Homeland Security & Emergency Management Department (HSEMD) and 911 Project Wireline and Hosted Public Safety Answering Point (PSAP) Equipment:
    - Wireline Aggregation: Good News. Signed contract with CenturyLink for CAMA Trunk Delivery to ICN's Points of Interconnect. ICN and CenturyLink are working directly with Comtech on ALI (Automatic Location Identification) database and plan on transferring data from West Communications.
    - Hosted Equipment Solution in partnership with HSEMD contractor Zetron. Four (4) PSAP's installed for hosted solution, five (5) additional orders received last week. Also notified ICN with 10-15 additional commitments.
    - ICN continues working closely with HSEMD and contractors for strengthening E911 ESInet solution, and adding ICN services by reviewing secondary connections and policies.
  - Iowa Rural Health Telecommunications Program (IRHTP):
    - ICN met with the Iowa Hospital Association Board to provide a network update.
    - Continue to move forward with target date of completion by the end of September.
  - Department of Corrections: Adding several locations to MVS. Assisting with writing Request for Proposal (RFP) and project management for Inmate Tablet Project.
  - E-rate:
    - Working closely with the Department of Education and the Iowa Hospital Association for their stakeholders feedback to the FCC related to the following notices of proposed rulemaking seeking public comment:
      - Funding of USAC/Erate by FCC.
      - Permanent funding of category 2 services.
      - Proposal of $20.4 billion rural digital opportunity fund to provide broadband to homes and businesses.
      - Strengthened funding for rural health care program.

- Customer location and contact update team: Met to kickoff information gathering plan. Data to be collected and format to support update of ServiceNow and implementation of Case.

- Training Videos: Continue to work on Customer Training Videos to utilize ServiceNow and MVS customer portals.

- Working with Iowa HSEMD and FEMA to update State of Iowa's Communications Annex that is vital for restoral of communications during disaster. This is FEMA's version of the federal Continuity of Operations (COOP) and Continuity of Government (COG) plan.

- Outreach:
  - Completed: School Administrators of Iowa Annual Conference, July 31, Des Moines.
  - IRHTP Information Technology Conference at Iowa Hospital Association.
  - Cyber Security Roadshows, which are open to all users.

COMMENTS:

Q: Chair Kniff McCulla – What do you do for the Roadshows?

A: Ryan Mulhall -- Last year was the first time we completed the roadshows for healthcare customers. It is in line with Cybersecurity Awareness month. We selected 5 locations throughout the State to talk about best practices. This time we are opening it up to all customers, with the majority of locations at Area Education Agencies (AEAs) throughout the State. We will talk about programs, management, and technical topics.

Q: Chair Kniff McCulla – How many Department of Corrections facilities are in Iowa?

A: Randy Goddard – 9.

Q: Commissioner Olson – Is the Veterans Home a customer?

A: Randy Goddard – Yes, we provide services to them.

- **ICN Carrier Updates**

  - **Network Services Update – Ryan Mulhall**

    - Outside Plant:
      - We responded to five fiber cuts in the last month. This is in line with our historical numbers as well as to the average we have seen during the summer months.
        - I would like to acknowledge our partner Fiber Network Services (FNS) in their continued efforts to react quickly and effectively despite losing a key person from their team to the ICN team, and not missing a beat in meeting our SLA (Service Level Agreements).
        - Earlier this year, ICN awarded a new contract to HBK in Iowa City, to provide Outside Plant Engineering, and the results of their early work has been outstanding. ICN will start utilizing them more for design work, which will take some of the workload from our resident professional engineer.

    - ServiceNow:
        - I had the opportunity to present at the Minnesota Digital Government conference in St. Paul, MN on *Reinventing the Government Experience with ServiceNow*.

Some of the highlights included our agency strategy of reducing our systems and trying to create a better experience for our customers within our portal. Government Technology Magazine will be hosting a summit in Iowa for the first time next year in August, and we will look for an opportunity to present on some of our initiatives.

- ICN completed the upgrade of our ServiceNow version and will be installing the Customer Service Management module in our Sandbox environment. We will be having a workshop with our integrator in the next few weeks to roadmap how best to utilize the tool. Goals we are looking for include: more visibility for customers, improved customer service, better control and security for customers, being able to manage their access and authorization, if they so choose. We are also looking for the ability for our employees to easily design automated workflows that are more dynamic than static.

- Security:
  - We have started development on a few open-source security monitoring solutions to allow customers the ability to gain better visibility over their networks. Some of the goals of this include: automated provisioning of the tools for customers, multi-tendency (providing segmentation) allowing customers the ability to manage and monitor themselves or have the ICN do it, and value add to our core services.

- ICN Cloud:
  - We began research and planning for a new service to build a private Infrastructure as a Service Cloud in the ICN Network. This will allow us to provide storage, compute, backup, and disaster recovery service to our authorized and certified users. As our customers continue to migrate their workloads to public clouds, it is important for us to have stable, dedicated connections to various datacenter providers. We have also heard from customers that they are interested in connecting their applications and data within the ICN Network, and so we will fully explore the opportunity.

COMMENTS:

None

- **Operations/Engineering Update – Scott Pappan**

  - 100GB Network Core Upgrade:
    - Approximately 40% of the 100GB core (Layer 2) has been installed (15 locations).
    - Ottumwa is being configured in lab. Next router install is Bettendorf.
    - Updating Juniper router software has been completed.
    - Upgrading code and aggregation switches that connect to the core. 49 of 165 are completed.
    - 67 aggregation switches are currently scheduled to be upgraded and rebooted.

  - E911 Multi-Node Hosted Platform:
    - Currently working on new public safety answering point (PSAP) orders.
    - 4 PSAPs installed and running.

  - E911 Wireline Network Project (TDM/Ethernet Solution):
    - The solution has been designed, tested, and approved.
    - Optics have been ordered.

- Engineering network connectivity.

- TDM/Ethernet Network: (Time-division multiplexing)
  - Taking the old infrastructure out of the network.
  - A teleco systems solution has been engineered, tested, and approved.
  - Replace TDM/ATM with TDM/Ethernet services to allow for the sunsetting of the ATM Network.
  - Moving the legacy ATM video equipment out of the network, frees up power for the equipment installations for the healthcare upgrades for IRHTP.

- IRHTP/Healthcare Upgrades:
  - All of the Edge orders (300) have been submitted to the field to be installed.
  - All of the Core orders have been issued to the field (22) to be installed.
  - Engineering aggregation orders (30).
  - Six (6) core devices are installed, with two (2) completed by next week.
  - 35 clinics of the 300 that are already completed.

- VMware Platform:
  - Internal / ICN Facing – Virtualization Upgrade:
    - Circuits are engineered.
    - Orders have been submitted to FNS to install cabling/circuits.
  - Customer Facing – Virtualization:
    - Putting together an RFP for a Virtual Private Cloud product delivery service.
    - Services initially will be storage, compute, backup, and disaster recovery.

COMMENTS:

None

- **Contract Limitation Amount Adjustment Notice – Mark Johnson**

ICN's contract limitation amount adjustment notice will be published in the administrative rules bulletin on August 28. The contract limitation amount will increase from $2,423,070.50 to $2,461,839.60. This is an increase of just under $40,000, and is based upon a Department of Labor consumer pricing for all urban consumers.

Background: The original contract limitation amount was established in 1994 at $500,000. In 1996, that amount was increased to one million dollars and remained at that rate until 2007. In 2007, ICN worked with the legislature to increase the contract limitation amount to two million dollars with a CPI adjustment, which we have been adjusting that amount since then. When the contract limitation amount comes into play, ICN cannot enter into a contract that exceeds that amount, unless we receive prior approval from the legislature or the legislative council, if the legislature is not in session. In 2007, language was added to allow the executive council to approve the entering into a contract if there is a natural disaster or any issues related to Homeland Security. Whenever we have contracts that come into this situation, we go to the legislature and we request a session law enactment that indicates that we anticipate to exceed the contract limitation amount. We have completed this process three or four times, it has never been denied.

COMMENTS:

Q: Commissioner Holz -- How many contracts do we have in place that would need to be reviewed that would exceed this amount?

A: Mark Johnson – It would typically relate to new contracts and not renewals. Our authorization language is related to an RFP, and the contract is related to the RFP to move that forward. The initial contract itself would provide for a term with x number of renewals. If we would go out for bid for the same service, and we would anticipate that the contract would exceed the amount, then we would have to go back and receive approval. It does not come up that often, we have been able to structure the projects and identify the projects.

In similar fashion when the amount went from $500,000 to $1 million in one year, when the initial construction of the network was completed, with the Part III sites, there were bigger contracts, and there was concern from the legislature as to how the money was being spent due to the large amount of dollars. The price of technology continues to go up, there may be a need to approach it more in the future.

The last time ICN needed to receive the waiver was for our maintenance contract with Fiber Network Services. This is ICN's largest contract.

Q: Commissioner Lapointe -- I appreciate the historical perspective. I remember when the limit was at $1 million for a long time, and it was difficult to do anything. Given the increase in technology, I know we ushered in the regular increase, which helps, but I am wondering if it might be something that we want to address to raise that limit, not just the CPI smaller amount. Is that keeping pace or would it be prudent to ask the legislature to raise it to $3 million?

A: Mark Johnson – In the past there has been some limited discussion seeking to adjust the amount. It has not been a big issue for us in terms of delaying projects. We have had larger expenditures that have exceeded the contract cap limitation amount, where we would have had contracts for expenditure of these funds, but it was back in the days when we were receiving appropriations. There were specific appropriations that were authorized for projects. It has not been a big issue at this point in time. I view it also as an opportunity to talk with the legislature about the ICN and our projects. If it starts to hinder our ability to conduct business, we will look at it as a possibility.

Q - Commissioner Lapointe: This is probably a lower percentage of the overall budget than it is now.

A: Mark Johnson – Yes, Deb and Mike would agree with that. Again, if the contract limitation cap becomes an issue, it will be brought to the Commission for review and further discussion.

Q: Commissioner Dunn -- Does the CPI adjustment automatically occur, how does it get adjusted?

A: Mark Johnson – Under the statue, we are required to make that adjustment in that contract cap limitation amount, and then publish a notice in terms of the dollar amount. Each year, our contracting department obtains the calculation, then we work with LSA (Legislative Services Agency) to get the notification published.

Other Business:

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

Customer and Services Committee – Randy Goddard

Meeting Date: August 12, 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 RFP and LightSpeed Plus Video service under ICN leadership review.
- Sales outreach.
- Customer complaints.

Finance Committee – Mike Cruise

There was no meeting due to the delay in reporting.

Personnel Committee – Mark Johnson

Meeting Date: August 6, 2019.
Attendance: Chair Kniff McCulla, Commissioner Lapointe, and Mark Johnson.
Topics Covered:
- Discussed a technical position opening within a specific classification, and how to move forward.

COMMENTS:

None

- **Employee Recognition Committee (ERC) Event – Karen Alessio**

The Annual ERC Fall Event will be held after the ITTC Meeting on Thursday, September 19 from 11:30 am – 3:00 PM. The event will be held at Ding Darling, Birdland Park in Des Moines. Lunch will begin at 12:15 PM with smoked pulled pork sandwiches, side dishes, salads, and a fruit bar with a chocolate fountain, provided by the employees of the ICN. The afternoon will include Years of Service Awards, coworker shout outs, introduction of new employees, and team building activities. Time has been reserved for our commissioners to speak.

COMMENTS:

Chair: Thank you for pulling that together. It sounds like a lot of fun.

- **Employee Recognition: Bob Schmit – Phil Groner**

  We have a special guest with us, ICN employee Bob Schmit. Bob is retiring this month, he has been with the ICN for 24 years. He was here when the network was being built, when the original fiber was being laid and the electronics installed. Over the course of his career, there probably is not a customer that he has not been involved with or an upgrade or major project, from an engineering standpoint, that he has not worked on. I wanted the Commission to be aware of Bob, and the quarter of a century work that he has done for the ICN.

Public Comment:

NONE.

Adjournment:

The ITTC meeting adjourned at 11:25 AM.

ATTESTED TO:

Barb Kniff McCulla - Chair, Iowa Telecommunications and Technology Commission

Barb Kniff McCulla - Chair