



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

June 20, 2019

To ensure the most efficient use of State resources, the June 20, 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)
John McCormally, Representing Rob Sand, Ex-Officio Member
Jeff Franklin, Ex-Officio Member

- **Iowa Communications Network Staff Present:**

Phil Groner, Executive Director
Deb Evans, Agency Division Administrator, Chief Financial Officer (CFO)
Mark Johnson, Carrier Services Division Administrator, Chief Operating Officer (COO)
Mike Cruise, Finance Bureau Manager
Scott Pappan, Operations and Engineering Bureau Manager
Ryan Mulhall, Network Services Bureau Manager
Dave Marley, Field Services Officer
Lori Larsen, Executive Officer 2 (Recorder)
Karen Alessio, Secretary 2 (LightSpeed Plus Video)
Shweta Agrahari, Accounting Technician 2 (LightSpeed Plus Video)

- **Guest Attendees:**

Alan Nagel, Attorney General's Office
Sean Cory, CenturyLink
Ray Warner, Aureon
Scott Golberg, Fiber Network Services (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.
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Approval of the May 16, 2019 Meeting Minutes:

Chair Kniff McCulla requested a motion to approve the May 16, 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**

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

- Monthly Revenues and Expenses:
 - The month of May resulted in an operating margin of -\$411,331 or negative 16.1%. This is unfavorable by \$531,929 compared to the budget of \$120,597.
- Year-to-Date Revenues and Expenses:
 - The May year-to-date operating margin was -\$1.98 million, which is unfavorable by \$609,000 compared to the budgeted operating margin of -\$1.37 million.
- May Comparison to FY 2018:
 - The operating margin for May FY 2019 is \$385,000 unfavorable compared to May Fiscal Year 2018. Revenue is within \$14,000.
- Year-to-Date Comparison to FY 2018:
 - The May year-to-date margin of -\$1.98 million is \$253,000 unfavorable to the Fiscal Year 2018 margin of -\$1.73 million.

Fiscal Year 2018 Audit Exit Conference:

- Reportable comments decreased from 7 down to 2.
 - Segregation of warehouse duties.
 - Segregation of duties over entry of billing rates.
- Non-reportable comments decreased from 5 to 4.
- ICN will respond to the reportable items, then the audit can be closed and released.



COMMENTS:

Q – How many warehouse employees does the ICN have?

A – We have the two. We try to separate the receiving and the shipping, but sometimes it is not possible with vacations. We don't have staff to conduct consistent cycle counts, which was one of the comments. With reduced staff, it is difficult to complete in the proper manner.

○ **Business Services Update – Deb Evans**

- Managed Voice Service (MVS):
 - ICN has three sites left in the migration of the legacy voice to MVS.
 - Goal is by end of September to have all migrations complete.
 - Three new customers were added to the platform.
- HSEMD Wireline and Hosted Public Safety Answering Point (PSAP) Equipment:
 - Wireline solution progress: ICN is finalizing terms and conditions on the CAMA trunk contract with CenturyLink.
 - First of three extensions starting May 18 for the master agreement has been signed and completed.
- Iowa Rural Health Telecommunications Program (IRHTP), Network Refresh:
 - Continue to move forward with target date of completion by the end of September.
- E-rate:
 - Orders to be completed by June 30.
 - One order exception is the outside plant construction and managed campus area network in Winterset. This is a new service and has a due date of August 15.
- Outreach:
 - ICN met with the Department of Corrections (DOC). ICN has provided the service of Inmate Calling as well as handled the contracting and bidding for DOC's inmate calling for many years. DOC plans to go in a different direction to provide tablets vs. calling. ICN is in discussions in regards to how we can assist in their new endeavors.
 - ICN met with the Area Education Agencies (AEA) Technology Directors. The discussion was on what their needs were going forward. AEAs continue to be very supportive of the ICN and all that we do for them.
 - ICN met with the Iowa Association of Independent Colleges this past month.

COMMENTS:

None

○ **ICN Carrier Updates**

- **Network Services Update – Ryan Mulhall**



- Outside Plant:
 - We've had seven (7) fiber cuts in the last month. ICN continues to have success in getting reimbursed for damages with either USIC (United States Infrastructure Corporation) or the contractor who has accepted responsibility. We do have one instance where the contractor disputes their actions led to the cut. ICN should be able to recover costs for the other six cuts. This is not extreme compared to most months during construction season, but higher than we would like to see.
 - Job Opening: Junior Engineer closes on June 20. ICN has a Senior Engineer that is set to retire after construction season.
- Security:
 - ICN is finishing the involvement in the State of Iowa Cybersecurity Plan. We had three personnel take part in the process. Nine goals were identified with 25 actionable objectives.
 - ICN looks forward to helping the OCIO and the State of Iowa set the plan into motion.
- New Services:
 - Managed Wireless and Managed LAN (Local Area Network) is anticipated to be released July 1. Managed partnership with BlueAlly. Originally ICN awarded the contract to Core2Cloud, which has merged with BlueAlly. This is a Category 2 e-rate eligible service for K-12 Schools and Libraries.

COMMENTS:

None

- **Operations/Engineering Update – Scott Pappan**
 - 100GB Network Core Upgrade:
 - Approximately 25% of the 100GB core has been installed (10 locations).
 - Passing traffic at Tiffin, JFHQ, and Lucas Building at 100GB.
 - Right now, the focus is 911 and Iowa Rural Health Telecommunications Program (IRHTP), but the core upgrade is still moving along.
 - E911 Multi-Node Hosted Platform:
 - E911 Network has been stabilized.
 - Currently working on new public-safety answering point (PSAP) orders that add PSAP locations to the E911 network.
 - E911 Wireline Network Project:
 - The solution has been engineered and it is being tested in JFHQ.
 - Currently waiting on optics equipment that allows the solution to connect to our fiber facilities.
 - IRHTP/Hospital Upgrades:
 - Configurations on all (core, aggregation, edge) devices are being completed.
 - Orders are being submitted to the field.
 - VMware Platform:

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- VMware provides the software that enables the ICN to provide virtualized services.
 - Failover and disaster recovery software proof of concepts have been completed.
 - Circuits are engineered.
 - Orders have been submitted to vendor for circuit installation.
- Managed Voice Service (MVS):
 - The original voice migration orders are coming to completion.
 - Working on engineering new customer orders.
 - Project goal is to have all engineering orders for our legacy customers completed by August.

COMMENTS:

None

- **ACTION: Regulatory Plan – Mark Johnson**

The ITTC is required to prepare a regulatory plan listing each regulatory action or potential rule currently under active consideration or development that it reasonably expects to issue in proposed or final form for the coming fiscal year. There are two items:

- Elimination of the rules related to the Education Telecommunications Council (ETC) and the Regional Telecommunications Councils (RTC). The ETC/RTC structure was eliminated during the 2019 legislative session.
- Additional corrective amendments. This report doesn't limit us in moving forward with rule changes, but it is to provide notice on what we plan to move forward with during this year.

Once approved, we will bring a summary of those rule changes to the Commission. The rules process typically takes 108 days. ICN staff requests approval from the Commission for the Regulatory Plan.

Q – For 108 days, where does this all go?

A – ICN works with the Administrative Rules Coordinator in the Governor's office, along with the Legislature's Administrative Rules Review Committee. We would start the process by filing a Notice of Intended Action. There are a series of steps before an agency can put the rules into practice.

Chair Kniff McCulla requested a motion to approve the Regulatory Plan. Commissioner Holz moved to approve the Regulatory Plan. Commissioner Lange seconded the motion. The motion passed unanimously.

COMMENTS:

None

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

Customer and Services Committee – Deb Evans

Meeting Date: June 12, 2019.

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Attendance: Commissioner Lange, Commissioner Holz, Randy Goddard, and Lori Larsen

Topics Covered:

- ICN's authorized user requests.
- New customers.
- Requests for waivers.
- Sales outreach.
- Customer complaints.
- Marketing and Customer Support.
- Services: LightSpeed Plus (advantages and challenges).

Finance Committee – Mike Cruise

Meeting Date: June 14, 2019.

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

Topics Covered:

- Reviewed reports as presented today.
- Reviewed each cost center and explained larger components of the revenues and expenses.
- Information still due to committee: Fiber Network Service (FNS) contract analysis and the 5-year budget projection.

Personnel Committee – Mark Johnson

The Committee did not meet in June. There were no new issues. The Committee will plan to meet in July with the Outside Plant position.

COMMENTS:

None

Other Business:

○ **Employee Recognition – Phil Groner**

ICN Engineer Andy Ryan, a Major in the Army Reserve, is preparing to be deployed for a year to Kuwait. He has been with the ICN for 18 years. This will be his fourth deployment since he has been with the ICN.

Mike Van Haaften in the Network Services group is also in the Army Reserve, and is currently deployed for an exercise. He will return next week.

We appreciate the many staff members who serve our Country and our Veterans.

Public Comment:

NONE.

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Adjournment:

The ITTC meeting adjourned at 10:55 AM.

ATTESTED TO:

A handwritten signature in blue ink that reads "Barb Kniff McCulla - Chair". The signature is written in a cursive, flowing style.

Barb Kniff McCulla - Chair, Iowa Telecommunications and Technology Commission

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