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November 18, 2021

TO: Tim McDermott, Interim Director

Legislative Services Agency

FROM: Barb Kniff McCulla, Chairperson

Iowa Telecommunications and Technology Commission

Re: Review of Maintenance Contracts Report

Pursuant to Iowa Code section 8D.3(3)(g), the Iowa Telecommunications and Technology Commission (ITTC) is required to review existing maintenance contracts and past contracts to determine vendor capability to perform the obligations under the contracts. The ITTC is also directed to report the performance of all vendors under each contract and make recommendations to the General Assembly concerning continued funding for the contracts. As required, the ITTC reports the following:

Parts I and II Maintenance Contract: The Iowa Communications Network (ICN) is under contract with Fiberutilities Network Services (FNS), a subsidiary of Fiberutilities Group, for maintenance and operational support for the state-owned portion of the Network. This contract was originally awarded to FNS on July 28, 2014 as a result of Fiberutilities Group response to ICN RFP 14-001.

Since the effective date of January 1, 2015, the ICN and FNS have both continued to improve standard operating procedures for the benefit of the Network and the customers it serves. The contract provides that the Scope of Services may be revised, replaced, amended or deleted at any time during the term of the contract to reflect changes in service or performance standards. Contract amendments require continued cooperation between the ICN and FNS. Demonstrated maintenance support by FNS under the contract is satisfactory. Based upon the performance of FNS, the contract was renewed for a second 5-year term as permitted under the terms of the contract. The second 5-year term commenced on January 1, 2020.

Part III Service Contracts: The ICN actively monitors the delivery of 274 Ethernet/Internet service agreements from vendors awarded contracts by competitive bid. ICN continues to competitively bid for service as the contracts expire.

Other Maintenance Contracts: The ICN has reviewed performance under the remaining maintenance contracts and found the performance of contracted maintenance service vendors to be satisfactory and fulfilling ICN requirements.

Recommendation: Finding that our contracted maintenance service vendors are capable of performing their contracted obligations, the Commission recommends and intends to continue funding for all contracts.

Fees for services make up the majority of the revenue received by the ICN from which the costs of contracted maintenance are paid.