## IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

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January 12, 2016

**TO:** Glen Dickinson, Director

Legislative Services Agency

FROM: Richard Bruner, 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 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 customer 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 the vendor under the contract is satisfactory.

Prior to FNS, ICN contracted McLeodUSA Telecommunications Services, Inc. (d/b/a PAETEC Business Services) for maintenance and operational support from 2013 to early 2015.

**Part III Service Contracts:** Starting in FY 1996, the ICN began monitoring the delivery of 309 video sites from vendors awarded contracts by competitive bid. These six-year contracts began to expire in FY 2003. ICN continues to competitively bid for service as the contracts expire.

**Other Maintenance Contracts:** The ICN reviewed 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 continued funding support for all contracts.

Fees for services make up the majority of the revenue received by the ICN. The ICN has not received a General Fund appropriation for network operations since FY 2004.