MEMBERS OF COUNCIL

HON. KIM REYNOLDS GOVERNOR

HON. PAUL D. PATE SECRETARY OF STATE

HON. ROB SAND AUDITOR OF STATE

HON. ROBY SMITH TREASURER OF STATE

HON. MIKE NAIG SECRETARY OF AGRICULTURE



CAPITOL BUILDING DES MOINES, IOWA 50319 PHONE: 515 281-5368 FAX: 515 281-7562

January 9, 2024

Mr. Leif Olson Chief Deputy Attorney General Attorney General's Office Hoover Bldg. LOCAL

Dear Mr. Olson:

The Executive Council, in a meeting held this date, approved your request for retention of special counsel to represent the Iowa Telecommunications and Technology Commission/Iowa Communications Network ("ICN") to provide legal services related to federal law and regulations.

Nelson Mullins 101 Constitution Avenue NW Suite 900 Washington, D.C., 20001

Rate: Monthly rate of \$3,375 for an initial term of one year with all attorney fees and costs to be paid from the Iowa Communications Network.

If you have any questions on the matter, please advise.

Sincerely,

Victoria Newton

**Executive Secretary** 

Victoria Newton

## BRENNA BIRD ATTORNEY GENERAL

LEIF OLSON
CHIEF DEPUTY ATTORNEY GENERAL



1305 E. WALNUT ST.
DES MOINES, IA 50319

Main: 515-281-5164 • Direct: 515-954-9564

Email: leif.olson@ag.iowa.gov

www.iowaattorneygeneral.gov

January 2, 2024

Victoria Newton Executive Secretary Executive Council State Capitol L O C A L

Re: Request for Special Counsel

Dear Victoria:

Our office requests authorization pursuant to Iowa Code section 13.7 to retain special counsel to represent Iowa Telecommunications and Technology Commission/ Iowa Communications Network ("ICN") to provide legal services related to federal law and regulations.

ICN has requested the law firm Nelson Mullins, 101 Constitution Avenue, NW Suite 900, Washington, D.C., 20001, to serve as special counsel for these matters. Nelson Mullins will provide the services at a monthly rate of \$3,375 for an initial term of one year.

Accordingly, our office recommends that Nelson Mullins be approved as special counsel with all attorney fees and costs to be paid from ICN funds and not general fund dollars.

Sincere/1

Leif Olson

Chief Deputy Attorney General

## IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

ICN.

Steve Olson, Chair

Robert F. Holz

Brett Mason

Denise Sturm

Carmine Boal

Matt Behrens, State CIO (ex officio) Rob Sand, State Auditor

(ex officio)

Randy Goddard, Executive Director

Governor Kim Reynolds

Lt. Governor Adam Gregg

December 18, 2023

The Honorable Brenna Bird Attorney General of Iowa Hoover State Office Building Des Moines, Iowa 50319

Attorney General Bird:

On behalf of the lowa Telecommunications and Technology Commission (ITTC) operating the lowa Communications Network (ICN) and pursuant to lowa Code section 13.7, I am requesting that legal assistance from a Special Counsel be authorized for purposes of advising and representing the ITTC on matters related to the ITTC's status as a common carrier under federal law and other issues potentially subject to the regulation of the Federal Communications Commission or other federal law and regulations. Special Counsel has previously been authorized for similar purposes in 1997 and 2011.

Issues currently identified for Special Counsel advice and guidance include the following:

- USAC contribution questions associated with the Managed Voice Services (MVS) we offer to our authorized users - MVS service is provided by Lumen (formerly CenturyLink) to ICN for resell.
- Common Carrier Issues
  - Is the ICN's Common Carrier designation still required for the purposes of being eligible to receive universal service payments?
    - Reaffirm previous Special Counsel opinions regarding ICN's Common Carrier status and impact of any ICN structural changes impacting ICN on Common Carrier status.
  - Service pricing requirements we have been accommodating for 20+ years and the current validity of those requirements.
  - Protecting customer traffic/information.
    - Current requirements as ISP/Common Carrier for protecting customer traffic impact on requests for traffic information from Iowa's Office of the Chief Information Officer – a separate state agency.
- Proposal Attached

If approved, we would keep your office apprised of our interactions with the Special Counsel.

Thank you for your consideration of this request.

Hallen.

Sincerely,

Randy Goddard
Executive Director

## Nelson Mullins Proposal Recommendation by the ICN

The ICN has identified the firm of Nelson Mullins as the preferred Special Counsel option. After discussions with attorneys from Nelson Mullins regarding issues we have questions regarding, the following options were provided. The ICN's Executive Team is recommending that the Special Counsel contract be drafted to reflect Option 1 and the Additional Work provision:

- Option 1: \$3,375/mo. This would include a monthly call and an hour extra each week.
  - O Caveats: You need not use your hours weekly. You could bank or borrow them, depending on your need. Please keep in mind that we often will need to research and gather internal expertise, in order to deliver services to you over email or on a call.
- Additional Work: Blended rate of \$675/hour to bill hourly or to negotiate a flat fee. For example, you might say "I need a memo to explain [something]". Not many (or perhaps any) formal memos will fit in the flat fees above. And so, I might say "that looks like about 10 hours—so I can flat fee it for \$6,750." This hypothetical reflects the discount we are building into the blended rate.

The proposal options provided to the ICN by Nelson Mullins follow:

"Based on the needs expressed below and articulated on our call, I think the ICN could benefit from a service delivery model that involves a <u>standard monthly one hour call and time to</u> <u>respond to questions or concerns with tighter deadlines.</u> Clients often queue-up questions for monthly call (which typically involves some prep and follow-up on our side – so it's often more than an hour's worth of time that goes into each call), but sometimes need to adjust the call to meet a need or use budget for things that need attention between calls. Regularly scheduled calls work best, but we're flexible (and we may need to reschedule ourselves on occasion – if Chairwoman Rosenworcel offers us a time during any client's regularly scheduled call, we will typically ask the client to reschedule so we can get that important meeting in).

The approach I recommend is a monthly flat fee. I offer you the following, based on a blended rate of 650 which I can offer with a term/volume commitment of 12 months.

- Guide here is a 12 month commitment and \$675/hour. So, for budgeting purposes you
  might want to plan on 12 payments plus an additional X hours for "incidentals."
- Option 1: \$3,375/mo. This would include a monthly call and an hour extra each week.
  - O Caveats: You need not use your hours weekly. You could bank or borrow them, depending on your need. Please keep in mind that we often will need to research and gather internal expertise, in order to deliver services to you over email or on a call.
- Option 2: \$2,700/mo. This would include a monthly call and three additional hours per month. Same caveats as above.
- 12 month commitment: With respect to the 12 month commitment, it's done on trust. If you want out, and you "borrowed" forward, I would expect a true-up. Most of my clients remain clients and I work with them to adjust as needs and demands change.
- Additional Work: Blended rate of \$675/hour to bill hourly or to negotiate a flat fee. For example, you might say "I need a memo to explain [something]". Not many (or perhaps any) formal memos will fit in the flat fees above. And so, I might say "that looks like"

about 10 hours – so I can flat fee it for \$6,750." This hypothetical reflects the discount we are building into the blended rate.

I hope that this proposal is well designed to meet the anticipated needs. Feel free to reach out to discuss. Thanks, again for the opportunity and I look forward to hearing from you."