

## EWEB Board Consent Calendar Request

*For Contract Increases*

The Board is being asked to approve additional funds for an extension to an existing Intergovernmental Agreement (IGA) with **Springfield Utility Board (SUB) for the Indefeasible Right of Use (IRU) Agreement for Dark Fiber Service.**

Board Meeting Date: 7/6/2021

Project Name/Contract #: IRU for Dark Fiber Service/ IGA 11416

Primary Contact: Rod Price Ext. 7122

### **Contract Amount:**

Original Contract Amount: \$37,407 (2006-2011)

Term of Agreement: **April 1, 2006 – March 31, 2023**

Additional \$ Previously Approved: \$ 387,593 (2011-2020)

Invoices over last approval: \$N/A

Percentage over last approval: N/A%

Amount this Request: \$300,000

**Resulting Cumulative Total:** \$725,000

### **Contracting Method:**

Method of Solicitation: Direct Negotiation

If applicable, basis for exemption: EWEB Rule 6-0190. ORS 190.010

Option to Renew? Yes

Approval for purchases "*as needed*" for the life of the Contract Yes  No

Proposals/Bids Received (Range): N/A

Selection Basis: Direct Negotiation - IGA

Narrative:

### Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve an extension to an existing Intergovernmental Agreement (IGA) with Springfield Utility Board (SUB) for the Indefeasible Right of Use (IRU) Agreement for Dark Fiber Service. Springfield Utility Board owns, maintains, and operates fiber optic infrastructure in the Springfield area. Since 2006, SUB has leased one pair of "dark" fiber to EWEB to complete connections between EWEB Headquarters, the Hayden Bridge Filtration Plant, Hayden Bridge Switching Station, Thurston Substation, and the Leaburg and Walterville Power Plants. The fiber provides reliable and low-cost broadband voice and data communications capabilities to these key Electric and Water facilities. In 2013, EWEB increased its use of SUB dark fiber five-fold by increasing from one pair to five pairs to provide fiber connectivity for its Ethernet network. EWEB now has redundant communications to its electric facilities in Springfield and upriver. In 2022, EWEB will increase its use of SUB dark fiber by adding an additional 6 pairs to provide redundant fiber connectivity for the newly constructed back up data center located at Hayden Bridge filtration plant. The requested additional funds will cover the additional service years including negotiated increases in lease fees over the next three years. EWEB's current SUB fiber utilization is 123.8 pair miles increasing to 163.4 with the provisioning of the new back up data center at Hayden Bridge filtration plant. With SUB's current lease rate of \$53.24 per pair mile the current annual cost is \$104,393.00.

Contracted Goods or Services

Lease of Dark Fiber to provide fiber connectivity for EWEB's ethernet network to several electric and generation facilities.

Purchasing Process

Staff has negotiated an IGA with SUB.

Bidder/Proposer Information

N/A – IGA with SUB

Bidder/Proposer Location

Prior Contract Activities

EWEB purchases electric services from SUB for various Springfield-area pump stations and Hayden Bridge, and pays joint use fees for pole usage.

**ACTION REQUESTED:**

Management requests the Board approve an increase to the IGA with Springfield Utility Board (SUB) for the Infeasible Right of Use (IRU) Agreement for Dark Fiber Service. Approximately \$138,000 was budgeted in the 2021 Electric O&M budget of \$217.7 Million. Variances will be managed within the budget process and Board policy.