

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve 2021 – 2023 purchases and a continuation of services with **CenturyLink** for **Telephone Services**.

Board Meeting Date: July 11, 2023  
Project Name/Contract #: Telephone Services CenturyLink Contract #600053  
Executive Officer: Travis Knabe Ext. 7770

### **Contract Amount:**

Original Contract Amount: \$594,000  
Additional \$ Previously Approved: \$0  
Spend over last approval: \$0  
Amount this Request: \$594,000  
% Increase over last approval: NA  
Resulting Cumulative Total: **\$594,000 (Years 2021 – 2023)**

### **Contracting Method:**

Method of Solicitation: Direct Negotiation  
If applicable, basis for exemption: EWEB Rule 6-0160 (Contracts for Price Regulated Items)  
Term of Agreement: Month to month agreement, over 3 years  
Option to Renew? No  
Approval for purchases “as needed”: Yes  No   
Proposals/Bids Received (Range): NA  
Selection Basis: Sole-Source

Narrative:

#### Operational Requirement and Alignment with Strategic Plan

EWEB requires the use of telephone services to support the following needs:

- Safety and Critical Communications
- Customer Service and Community Relations
- Internal Communications

Phone technologies are still a core part of EWEB functions and operations. EWEB supports many locations across Lane County and the greater Pacific Northwest, and we use telephone services to maintain vital safety and operational awareness at all EWEB sites and facilities. These communications links are vital to the reliable and safe operation of our water and electric systems. Telephone technologies continue to provide a key link for the public to our customer service and community relations teams.

#### Contracted Goods or Services

EWEB requires telephone services at its various locations. These services include landline services, long-distance services, ring-down lines at electric substations and radio locations, and connections between water substations. These price regulated services are solely available from CenturyLink, as an Oregon Public Utility Commission certified provider.

Purchasing Process

EWEB may, without competitive bidding, contract for the direct purchase of services where the rate for the services being purchased is established by state regulatory authority. The Oregon Public Utility Commission (PUC) regulates rates and services provided by telecommunications utilities. CenturyLink is a current certified telecom provider.

Competitive Fair Price

Pricing is regulated by the Oregon PUC.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
*OR-PA-5223 and CenturyLink 600053	Telephone		2021-2022		424,185	*
OR-PA-5223	Telephone	6-6-17	2017-2020	510,000	716,872	*
OR-PA-7558	Telephone	2-1-13	2014-2017	555,000	551,956	
OR-PA-7558	Telephone	3-1-11	2011-2014	585,600	590,720	

Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other

\*The previous cooperative State Price Agreement had expired, and the State currently doesn't offer any CenturyLink agreements for use by Oregon public agencies. Staff did not have a contract to reference for Board approval and were adding to the previous OR-PA-5223. Staff had been in communication with the State multiple times and were led to believe there was a forthcoming contract. The State eventually abandoned plans to provide a cooperative contract and CenturyLink began a month-to-month agreement.

Note: These services are a price regulated, sole-source requirement that EWEB must utilize to maintain business operations. Historically, these services were required and managed exclusively by EWEB's IS Division. EWEB's Water and Electric Divisions began utilizing the price agreement for their existing needs during 2017-2020 under separate PO's. Our existing systems don't allow for contract owners to monitor cross-divisional purchases against a cooperative contract and the specific amount approved within the system for their respective divisions. Staff will refine monitoring processes to catch these anomalies in the future. The Water Division's previous requirements were on average \$17,500 per year and are expected to be \$6,700 in 2023. The Electric Division's previous requirements were on average \$72,500 per year and are expected to be \$25,000 in 2023. Staff are requesting approval of years 2021-2023, which equates to \$424,000 for 2021-2022 and \$170,000 for 2023. Staff are currently determining EWEB's needs for years 2024 onward and will bring another request before the Board once those needs are accurately determined.

**ACTION REQUESTED:**

Management requests the Board approve 2021 – 2023 purchases and a continuation of services with CenturyLink for telephone services. Approximately \$134,000 was planned for these services in the 2023 IS Division O&M budget of \$5.4 million; approximately \$6,700 was planned for these services in the 2023 Water Operations Distribution budget of \$1.1 million; approximately \$30,000 was planned for these services in the 2023 Communications budget of \$163,000. Variances will be managed within the budget process and Board policy.