

# EWEB Board Consent Calendar Request

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve the continuation of services with **CenturyLink** for **Telephone Services**. These costs are not new and do not reflect an increase in service or service charges, EWEB is simply updating and extending our agreement with CenturyLink.

Board Meeting Date: February 6, 2024  
Project Name/Contract #: Telephone Services CenturyLink Contract #600053  
Executive Officer: Travis Knabe Ext. 7770

### Contract Amount:

Original Contract Amount: \$594,000 (July 11, 2023)  
Additional \$ Previously Approved: \$0  
Spend over last approval: \$0  
Amount this Request: \$475,000  
% Increase over last approval: 80%  
Resulting Cumulative Total: **\$1,069,000 (2021-2026)**

### 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
CenturyLink 600053	Telephone	7-11-23	2023	\$169,815	\$157,500 (actual spend)	
*OR-PA-5223 and CenturyLink 600053	Telephone	7-11-23	2021-2022		\$424,185 (actual spend)	
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.

These services are a price regulated, sole-source requirement that EWEB must utilize to maintain business operations. In 2023, the IS Division was able to reduce its annual cost from approximately \$140,000 to approximately \$114,000, the Water Division was able to reduce its cost from approximately \$17,500 to approximately \$7,000, and the Electric Division was able to reduce its cost from approximately \$72,500 to approximately \$36,500. Staff are requesting approval of years 2024-2026, which equates to \$475,000.

**ACTION REQUESTED:**

Management requests the Board approve the continuation of services with CenturyLink for telephone services. Approximately \$120,000 was planned for these services in the 2024 IS Division O&M budget of \$5.4 million; approximately \$3,500 was planned for these services in the 2024 Water Operations Distribution budget of \$1.1 million; approximately \$20,000 was planned for these services in the 2024 Communications and Controls budget of \$1.78 million. Variances will be managed within the budget process and Board policy.