

RESOLUTION 2018-033  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
APPROVING AN EXCEPTION TO THE USE OF A COMPETITIVE PROCESS  
FOR AN AGREEMENT WITH ITRON DISTRIBUTED ENERGY MANAGEMENT, INC.  
FOR DEMAND RESPONSE SERVICES

WHEREAS, Section 8-161(d)(1)(b) of the City Code authorizes the Purchasing Agent to negotiate the purchase of supplies and services without utilizing a competitive bidding or proposal process where the Purchasing Agent determines that although there is more than one source, the competitive process cannot reasonably be used, or if used will result in a substantially higher cost to the City, will otherwise injure the City's financial interests or will substantially impede the City's administrative functions or the delivery of services to the public; and

WHEREAS, in 2013, the City utilized a competitive process to select Comverge, Inc. ("Comverge") to provide demand response services for the City's Peak Partners energy conservation program (the "Services"); and

WHEREAS, Comverge provided the Services until 2017, when it was acquired by Itron Distributed Energy Management, Inc. ("Itron"); and

WHEREAS, in 2017, Itron assumed Comverge's rights and obligations under the City's agreement with Comverge, and continues to provide the Services to the City; and

WHEREAS, the City desires to continue to utilize the Services provided by Itron, which is in the City's best interest and will save significant time and cost; and

WHEREAS, the City's current agreement with Itron is set to expire in December 2018, and City staff desire to negotiate with Itron for a scope of work for 2019 and 2020, and subject to appropriation, enter into an agreement with Itron without undertaking a competitive purchasing process; and

WHEREAS, the annual cost for the Services in 2018 is approximately \$594,655, and said funds are appropriated and available; and

WHEREAS, funding for any agreement with Itron for 2019 and 2020 is expected to exceed \$200,000 and will be requested through the Budgeting for Outcomes ("BFO") process; and

WHEREAS, the City's Purchasing Agent has determined that although there is more than one source for demand response services, the competitive process, if used, would result in a substantially higher cost to the City, would otherwise injure the City's financial interests, and would substantially impede the City's administrative functions or the delivery of services to the public; and

WHEREAS, the City Purchasing Agent and other City staff recommend the adoption of this Resolution; and

WHEREAS, Section 8-161(d)(3) of the City Code requires prior approval of this purchasing method by the City Council for all procurements which exceed \$200,000.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

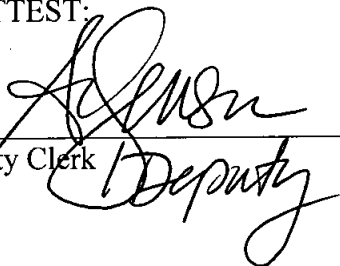
Section 2. That the City Council hereby approves the negotiation and execution of an agreement with Itron for 2019 and 2020, as an exception to the City's competitive purchasing process requirements, for the reasons set forth herein. Any agreement shall be subject to the BFO process and appropriation by City Council.

Section 3. That the Purchasing Agent may use this approval, as authorized in City Code Section 8-161(d)(4), as the basis for negotiating the additional purchase of services from Itron for up to five one-year terms extending through December 2023.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 3rd day of April, A.D. 2018.

  
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Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk Deputy

