



Legislation Text

File #: ID 17-190, **Version:** 1

AGENDA INFORMATION SHEET

DEPARTMENT: Materials Management

ACM: Bryan Langley

AGENDA DATE: February 21, 2017

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a second amendment to a contract between the City of Denton and LCG Consulting for Forward Market Modeling Software services for an additional three (3) year period, extending the contract approved by City Council on February 4, 2014 in the amount of \$309,000 and a First Amendment approved by Purchasing staff on November 13, 2014 in the amount of \$10,000; providing for the expenditure of funds therefor; and providing an effective date (File 5424-providing for an additional expenditure amount not-to-exceed \$309,000, with the total contract amount not-to-exceed \$628,000). The Public Utilities Board recommends approval (5-0).

FILE INFORMATION

This software was initially competitively solicited in December 2013 as RFP 5424. The City Council approved a contract with LCG Consulting on February 4, 2014, in the amount of \$309,000. A first amendment was approved by Purchasing staff on November 13, 2014 in the amount of \$10,000. This second amendment is to extend the contract, software, and licensing for an additional three (3) year period.

This software has been utilized by the Energy Management Office (EMO) for the past three years. In order to continue to ensure that the EMO staff can make the best possible decision regarding market purchases, sales, and interpreting future transmission congestion, this software is required. The total contract cost for three (3) years of licensing the software is \$309,000.

The annual contract can be broken down into the following items:

1.	UPLAN Network Power Model, Licensing	\$ 80,000
2.	Application Programming Interface (API)	\$ 8,000
3.	ERCOT Annual Database	\$ 10,000
4.	ERCOT Market Tools	<u>\$ 5,000</u>
	Total First Year Cost	\$103,000
5.	Year 2, Cost	\$103,000
6.	Year 3, Cost	<u>\$103,000</u>
	Three Year Total Contract Cost	\$309,000

LCG Consulting has agreed to extend the contract for another three years at the original price that was quoted three years ago. The existing contract expired on February 16, 2017.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 13, 2017, the Public Utilities Board recommended approval to forward this item to the City Council for consideration.

RECOMMENDATION

Approve a second amendment to the contract with LCG Consulting in an amount not-to-exceed \$309,000 for a total contract award of \$628,000.

PRINCIPAL PLACE OF BUSINESS

LCG Consulting
Los Altos, CA

ESTIMATED SCHEDULE OF PROJECT

The second amendment will extend this contract through February 16, 2020.

FISCAL INFORMATION

The software and services will be funded from the Electric Operating Fund Account# 600003.7804.5750. A line will be added to the existing purchase order for this contract.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Organizational Excellence
Related Goal: 2.3 Promote superior utility services and facilities

EXHIBITS

Exhibit 1: Original Contract
Exhibit 2: Amendment 1
Exhibit 3: Public Utilities Board Draft Minutes
Exhibit 4: Ordinance
Exhibit 5: Contract

Respectfully submitted:
Ethan Cox, 349-8421

Customer Service Manager

For information concerning this acquisition, contact: Lance Cunningham at 349-7140.