

# Mayor and Council Communication

**DATE:** 01/13/26

**M&C FILE NUMBER:** M&C 26-0047

**LOG NAME:** 21USOURCE AMEND 4

## **SUBJECT**

(ALL) Authorize an Amendment to a Contract with USource LLC to Extend the Existing Contract for an Additional Three Year Term Beginning March 16, 2026, and Ending March 15, 2029, with Three One-Year Renewal Options, with Each Annual Compensation Amount Not to Exceed \$231,248.00 for Energy Consulting and Management Services

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## **RECOMMENDATION:**

It is recommended that the City Council authorize an amendment to City Secretary Contract No. 53781 with USource LLC to extend the existing contract for an additional three-year term beginning March 16, 2026, and ending March 15, 2029, with three one-year renewal options, with each annual compensation amount up to \$231,248.00.

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## **DISCUSSION:**

The City of Fort Worth entered into an agreement with Acclaim Energy Advisors, LTD., City Secretary Contract No. (CSC) 53781, to provide Energy Consulting and Management Services on April 6, 2020. On May 24, 2021, the City and Acclaim agreed to Amendment No. 1 (CSC No. 53781-A1) to specifically provide natural gas procurement services. On November 10, 2021, the City and Acclaim agreed to Amendment No. 2 (CSC No. 53781-A2) to provide energy management and budgeting assistance services related to the City's natural gas supply contract and to increase contract compensation by \$48,000.00; for a new contract amount not to exceed \$98,000.00. On January 31, 2023, the City and Acclaim executed a First Renewal (CSC No. 53781-R1), renewing the term of the agreement through March 15, 2024. On June 13, 2023, the City and Acclaim agreed to Amendment No. 3 (CSC No. 53781-A3) Mayor and Council Communication (M&C) 23-0475 for additional energy consulting and management services to evaluate, terminate, and transfer electricity contracts from Constellation Energy to the City's Retail Electric Contract and perform sales tax recovery for both electricity and natural gas accounts for the Village Creek Dryer Facility for an amount not to exceed \$133,248.00; for a revised contract amount not to exceed \$231,248.00. On March 21, 2024, the City and Acclaim executed a Second Renewal (CSC No. 53781-R2), renewing the term of the agreement through March 15, 2025. On December 02, 2024, the City and Acclaim executed a Third Renewal (CSC No. 53781-R3), renewing the term of the agreement through March 15, 2026. On August 25, 2025, the City executed Consent of Assignment No. 1 to a Vendor Services Agreement for Energy Consulting and Management Services from Acclaim Energy Advisors, LTD to Usource, LLC (CSC No. 53781-CA1).

This amendment seeks to extend the existing contract for an additional three-year term beginning March 16, 2026, and ending March 15, 2029, with three one-year renewal options, with each annual compensation amount up to \$231,248.00. Except as expressly modified herein, all other terms and conditions of the existing agreement shall remain unchanged and in full force.

Usource (CSC No. 53781-CA1), formerly Acclaim Energy Advisors, Ltd., through its partnership has supported the City since 2020 by providing Energy Consulting and Management Services. More specifically, Usource acts as the City's Agent with our Retail Electric Provider (REP), Reliant, and our Natural Gas Supplier, Cokinon Energy providing their expertise Texas' Electricity and Natural Gas markets. Usource provides specialized expertise in regulated utility analysis and implements targeted utility cost reduction strategies while efficiently resolving complex billing disputes and regulatory challenges. This ensures continuous financial oversight, accurate cost management, and protection of the City's interests in an increasingly complex regulatory environment. As Fort Worth's dedicated energy advocate, Usource leverages deep industry relationships and market intelligence across both supply and ancillary energy sectors. The City of Fort Worth will continue to engage Usource LLC to provide comprehensive energy management and consulting services designed to strategically optimize the City's energy portfolio and deliver measurable cost savings. Extending this partnership ensures Fort Worth maintains its competitive advantage while allowing high-value strategic initiatives to advance without disruption or loss of momentum.

The fiscal year 2026 adopted budget includes \$71,000.00 budgeted in the General Operating & Maintenance category in the General Fund and \$12,000.00 in the Alliance Maintenance Facility Fund for the Property Management Department for current services received from Usource. If additional funding for consulting services is needed, the Property Management Department will be responsible for ensuring the availability of funds.

Usource received a waiver per the Chapter 252 exemption for Professional Services by the City Attorneys Office.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Usource L.L.C. ("Usource")

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the General Fund and the Alliance Maintenance Facility Fund to support the approval of the above recommendation and award of the amendment. Prior to any expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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