

RESOLUTION 2026-031
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROVING AN EXCEPTION TO THE COMPETITIVE PURCHASING
PROCESS TO PROCURE PROFESSIONAL SERVICES FROM
HURRICANE ELECTRIC TO INCREASE INTERNET SERVICE
PROVIDER CAPACITY FOR CONNEXION BROADBAND

A. Section 8-161(d)(1)(a) of the City Code authorizes the Purchasing Agent to negotiate for services without using a competitive process where the Purchasing Agent determines there exists only one responsible source for the services.

B. Connexion currently contracts with two Tier 1 Internet Service Providers (“ISP”) to gain access to the Internet backbone: IX Denver, in Denver, Colorado directs internet traffic to the east and Hurricane Electric, in Cheyenne, Wyoming directs internet traffic west to Salt Lake City. These two ISPs provide Connexion customers with truly diverse and redundant access to internet services.

C. A Tier 1 ISP is a large, global internet provider that has direct access to all parts of the internet backbone without needing to pay for access to other networks. These providers can deliver internet traffic to and from any location on the global internet without having to rely on third-party networks, making them the highest-level providers of internet services.

D. The City requires a five-year contract for the services of Hurricane Electric, a Tier 1 ISP, to add capacity and system reliability to the existing service for Connexion Broadband. Hurricane Electric is the only Tier 1 ISP within a reasonable distance that provides a diverse path which does not have any overlap with the pathway or service provided by IX Denver.

E. The contract will be a multi-year contract of five (5) years, with an annual cost of \$126,000, based on current capacity requirements.

F. The cost of a five-year contract to procure these services is expected to reduce the cost of each circuit from \$4,400 to \$3,500 per month. Taking advantage of preferable pricing for multiple circuits: total costs will increase from two circuits, which are currently \$105,600 per year, to three circuits at \$126,000 per year. This represents an increase of \$20,400 per year for an additional 50% of capacity, saving \$43,200 per year compared to quoted single-year agreements.

G. Any procurement approved under Section 8-161 by City Council may also be used as the basis for a negotiated purchase of additional quantities of the same materials or services at any time within a period of five (5) years from the date of approval; provided, however, that subsequent procurements may be expressly limited to a specific number of purchases or a period of less than five (5) years.

H. The Purchasing Agent and other City staff have recommended the adoption of this Resolution.

I. The Purchasing Agent has submitted the requisite justification to the City Manager for approval, and the City Manager has reviewed and approved this justification.

J. Section 8-161(d)(3) of the City Code requires prior approval of this purchase as it exceeds \$200,000.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the City Council hereby authorizes the Purchasing Agent to negotiate and enter into an agreement with Hurricane Electric for up to five (5) years for services in connection with increasing capacity and system reliability to the existing service for Connexion Broadband, and further approves this action as an exception to the City's competitive purchasing process requirements, for the reasons set forth herein.

Passed and adopted on April 7, 2026.

Mayor

ATTEST:

City Clerk

Effective Date: April 7, 2026

Approving Attorney: Yvette Lewis-Molock

Exhibit: None