



**CITY OF FORT LAUDERDALE**  
**City Commission Agenda Memo**  
**REGULAR MEETING**

**#24-0326**

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**TO:** Honorable Mayor & Members of the  
Fort Lauderdale City Commission

**FROM:** Greg Chavarria, City Manager

**DATE:** May 7, 2024

**TITLE:** Motion Approving Third Municipal Amendment to Comcast Enterprise Services Master Services Agreement to change Classification from Interstate to Intrastate - (**Commission Districts 1, 2, 3 and 4**)

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**Recommendation**

Staff recommends the City Commission approve the Third Municipal Amendment to Comcast Enterprise Services Master Services Agreement No. FI-25848367-DIngb, in the form attached, to change the nature of the existing Metro Ethernet circuit under contract from Interstate to Intrastate classification for cost measuring purposes.

**Background**

On May 3, 2022 (CAM 22-0323), the City Commission approved the Comcast Enterprise Services Master Services Agreement (MSA) as amended by the First Amendment to MSA No. FI-25848367-DIngb, which allows the City to utilize the Comcast high speed communications platform to create a network between City buildings and a public network to the internet.

On February 6, 2024 (CAM 24-0042), the City Commission approved a Second Municipal Amendment to the Comcast Enterprise Services Master Services Agreement to include Business Internet and Ethernet Private Line Services enabling the City the ability to respond to critical situations as well as meeting the City's future needs.

In an effort to manage these services efficiently and effectively, the Information Technology Services Department engaged Troy & Banks (T&B) by piggybacking the School Board of Sarasota County contract 20-0003 Energy Savings Program for an audit of all its telecommunication services. In T&B findings, they identified current Comcast services being billed under the assumption that the services are classified as Interstate rather than Intrastate. This means a 34.6% federal universal service fee and a federal cost recovery surcharge are applied to the monthly recurring service charges. As the City uses most of its communication services within the state of Florida, Comcast has been requested to modify the classification of those services to Intrastate. Upon execution of this third amendment, the City will no longer be charged the above-mentioned fees.

As seen in Exhibit 2, the analysis of the past six (6) months of charges demonstrates an average combined charge and expected savings in Universal Connectivity and Federal Cost Recovery fees to be \$13,417.61. This is an increase from an average of \$3,364.30, when comparing it to months prior to the April 12, 2023 flood. This increase is a direct result of post-flood recovery actions taken, which include new sites set up to accommodate displaced employees and increased bandwidth citywide to meet the additional demand.

T&B will charge a 20% fee of the amount saved each month for 12 months. The expected monthly savings of \$13,417.61 will be used to pay for T&B's fee as well as offset the current Comcast recurring charges, which average \$44,907 a month as also seen in Exhibit 2. This is an increase from charges before the flood which average \$25,230.95 a month. The average monthly recurring charge of \$44,907 comes out to \$538,884 annually which remains in line with the MSA's \$600,000 budgeted annual expenditures. This amendment will not affect any line-item services pricing.

**Resource Impact**

T&B's 20% fee will come from the savings it identified and found under the following cost center.

<b>Funds available as of April 24, 2024</b>					
<b>ACCOUNT NUMBER</b>	<b>COST CENTER NAME (Program)</b>	<b>CHARACTER/ACCOUNT NAME</b>	<b>AMENDED BUDGET (Character)</b>	<b>AVAILABLE BALANCE (Character)</b>	<b>AMOUNT</b>
10-581-2230-516-30-3628	Infrastructure & Operations	Materials & Supplies/ Telephone & Cable TV	\$3,963,684	\$1,199,605	\$32,202
<b>TOTAL AMOUNT ►</b>					<b>\$32,202</b>

**Strategic Connections**

This item is a *2024 Commission Priority*, advancing the Public Place initiative.

This item supports the *Press Play Fort Lauderdale 2029 Strategic Plan*, specifically advancing:

- The Guiding Principle: Technology Adaptation.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

This item supports the *Advance Fort Lauderdale 2040 Comprehensive Plan* specifically advancing:

- The Internal Support Focus Area
- The Implementation Element

- Goal 1: The Fort Lauderdale Comprehensive Plan shall accomplish the City's Fast Forward Fort Lauderdale Vision 2035 Plan regarding the City's future growth and the six Cylinders of Excellence and shall be the City's primary policy document to guide all of its activities and development.

**Attachments**

Exhibit 1 - Comcast Enterprise Services MSA No. FI-25848367-DIngb

Exhibit 2 - Comcast Monthly Charge Breakdown

Exhibit 3 - Third Municipal Amendment to MSA No. FI-25848367-DIngb

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