



Legislation Details (With Text)

File #: R-2019-189 **Version:** 1 **Name:** Comcast Network Agreement
Type: Resolution **Status:** Passed
File created: 5/16/2019 **In control:** Department of Information Technology
On agenda: 6/19/2019 **Final action:** 6/19/2019

Title: A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Execute The First Amendment To The Master Services Agreement With Comcast Commercial Services, LLC. For The Continued Operation And Maintenance Of The City's Institutional Network For A Five Year Term At An Annual Estimated Amount Of \$360,000.00, Plus An Added 15 Percent For Future Installations, Upgrades And Miscellaneous Costs In An Estimated Amount Of \$2,000,000.00.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Comcast Agreement Reso 2019, 2. Comcast 1st amendment.pdf, 3. tercomcast.pdf, 4. BIS 19-180.pdf

Date	Ver.	Action By	Action	Result
6/19/2019	1	Regular City Commission Meeting	adopt	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Execute The First Amendment To The Master Services Agreement With Comcast Commercial Services, LLC. For The Continued Operation And Maintenance Of The City's Institutional Network For A Five Year Term At An Annual Estimated Amount Of \$360,000.00, Plus An Added 15 Percent For Future Installations, Upgrades And Miscellaneous Costs In An Estimated Amount Of \$2,000,000.00.

Staff Recommends: Approval of the attached Resolution.

Explanation:

This resolution concerns the City's Institutional Network, (I-Net) a critical component of City operations which allows for each City facility to be able to have computers, phones, and devices operational within a metropolitan area network and recommends the renewal of support for the next 5 years with optional indefinite monthly renewals, terminable by convenience.

Based on Section 15 (d) of the City's June 23, 1998 (R-99-008) Non-Exclusive Cable

Franchise Agreement with AT&T, which was subsequently transferred to Comcast, the City entered into an Agreement with AT&T to install, operate, and maintain an I-net.

On May 18, 2007, Governor Crist signed legislation that would preclude Counties and Municipalities from renewing or entering into franchise agreements with providers of video services, which affected the existing I-Net agreement. Therefore, on June 20, 2007, the City Commission passed and adopted Resolution No. R-2007-196 which authorized the execution of a Network Services Agreement and First Rider solely for the operation and maintenance of the City's I-Net removing all references to the Cable television franchise agreement.

The City then entered into an agreement with Comcast LLC. on June 5, 2013 (R-2013-149) for the continued operation and maintenance of the I-Net for an initial term of five years with five one-year renewal periods. The City is currently in the first optional renewal period which will expire on June 10, 2019.

In order to ensure current operations are uninterrupted the City must continue to maintain the City's I-Net. Instead of renewing for years 2 through 5 with the 2013 Agreement, the City has for the past two years been conducting market research and negotiating with Comcast. The result is the proposed five year agreement for which the City has negotiated more favorable rates, an estimated 10% discount.

Whether the existing contract is continued or the proposed contract is executed, there will be no interruption to city network services.

Currently, Comcast is the only vendor that can provide point to point fiber for City use without additional costs by utilizing an existing infrastructure that does not require further build out.

Purchasing Ordinance 38.40 (C) (8) provides that purchases of, and contracts for, supplies or contractual services, when the City Commission declares by a five-sevenths (5/7ths) affirmative vote that competitive bidding is not in the best interest of the City, are exempt from the competitive bidding process.

Additionally, although there is a discount with this agreement, a greater contractual amount is being requested as compared to the last agreement, \$1.8 million in 2013 versus \$2 million in 2019. The purpose for this increase, around \$200,000 is related to potential Capital projects in the next 5 years. Estimated costs for the first year is \$300,000, with an expected increase to \$360,000 in future years. This contemplates the estimated 10% discount when compared to current rates overall.

Recommended for inclusion on the agenda by:
Raheem Seecharan, Director, Information Technology
Paul A. Bassar, Director of Procurement & Contract Compliance
Adam Reichbach, Assistant City Manager for Finance & Administration