



CITY MANAGER'S OFFICE

CITY HALL

10300 TORRE AVENUE • CUPERTINO, CA 95014-3255

TELEPHONE: (408) 777-3212 www.cupertino.org

CITY COUNCIL STAFF REPORT

Meeting: September 6, 2016

Subject

Second amendment to agreement for consultation services with Insight Consulting Services (Insight).

Recommended Action

1. Amend compensation and terms sections of the first amended and restated agreement that expired on June 30, 2016.
2. Authorize the City Manager to sign the second amended and restated agreement with Insight.

Description

The City entered into a five-year consultant agreement with Insight in 2006 to provide an incentive for Insight to generate new sales tax activities within the City. In 2012, the term of the agreement was extended to June 30, 2016. This year, negotiations with Insight resulted in changes to the compensation structure that brings the Insight agreement closer in alignment to the other similar existing agreements within the City, a term extension to June 30, 2020, six annual renewal options thereafter, and a rebate provision that requires Insight to return the most recent two quarterly payments to the City in the event it designated another city to have its point of sale designation. The six annual renewal options are at the City's full discretion to renew and provide the ability to adjust terms so they continue to align more closely with similar agreements outstanding at the time of each renewal.

Fiscal Impact

The proposed changes to the Insight agreement are projected to generate \$4.5 million over the four-year term of the agreement.

Prepared by: Lisa Taitano, Finance Manager

Approved for Submission by: David Brandt, City Manager

Attachments:

A: Proposed Second Amended and Restated Agreement

B: First Amended and Restated Agreement