



Dear Mayor and Council Members:

On behalf of City Manager Ed Shikada, please find below the staff responses to questions made by Councilmember Tanaka regarding the [Monday, January 30 Council Meeting](#) consent agenda item.

Staff responses are below:

Item 2, Approval of Amendment Number One (1) with Insight Public Sector, C20177991 Extending the Term by Three Years and Compensation by \$1,686,615 Utilizing a Riverside County Agreement for Citywide Microsoft Licensing and Approve a Contingency in the Amount of \$100,000 Annually, for a new Total Not-to-Exceed Contract Amount to \$3,628,317; CEQA Status—not a project

1. How was the annual contingency fee of \$100,000 derived?

Staff response: IT estimated the cost to support growing business requirements and to utilize Microsoft Azure Cloud Services as required to support disaster recovery and adopt cloud storage and compute services.

2. According to the staff report, 40% of the funding will come from special enterprise and special revenue funds. Is there an example of such a fund?

Staff response: An example of an enterprise fund is Waste Water, and a special fund is Printing and Mailing services.

Thank you,
Joanna



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