



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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www.rochesterhills.org

Legislative File No: 2022-0561

TO: Mayor and City Council Members

FROM: Lisa Cummins, Procurement Manager
Rochelle Lyon, Director Management Information Systems

DATE: December 5, 2022

SUBJECT: Software Marketplace including Cloud Solutions

REQUEST:

City Council is requested to authorize a contract/blanket purchase order for the purchase of various software products and cloud solutions through an online software marketplace to Amazon Web Services, Seattle, Washington in the amount not-to-exceed \$50,000.00 through December 31, 2027 and further authorizes the Mayor to execute an agreement on behalf of the City.

City Council is requested to waive Section 2-273(b), the 3-year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 5-year contract.

REASON FOR PURCHASE:

The City of Rochester Hills, acting as lead agency for the national cooperative purchasing organization, OMNIA Partners, issued a Request for Proposals for a software cloud marketplace solution. The solicitation was developed with the intent of establishing a nationwide agreement with a direct provider that offered a broad range of solutions that included three key models for cloud computing: (1) Infrastructure as a Service (IaaS), (2) Platform as a Service (PaaS), and (3) Software as a Service (SaaS).

The solicitation was posted to MITN, as well as published in various publications in the "legal" or "public notice" section. Three (3) proposal responses were received. A committee consisting of staff from the MIS Department and Purchasing Division reviewed the proposal responses received, and subsequently shortlisted to one firm, Amazon Web Services (AWS).

Amazon Web Services was requested to interview with the City and provide a demonstration of their software marketplace solution. The demonstration of the Software Marketplace allowed the City to see opportunity to alleviate some of the burden we have in how we currently demo or try out various software solutions, including those that are related to anti-virus, firewall protection, security, etc. As part of this solution, the City was also able to identify the potential for cost savings with the use of this software marketplace solution. AWS solution allows for an entity to "subscribe" and then "deploy" software solutions for use by the day, week, month, or year based on the needs of the entity and be charged accordingly.

It is based on all these factors the City is recommending award of the contract for a Software Marketplace to Amazon Web Services as the best value based on their, understanding of the project, methodology used, management plan, qualifications and ability to perform contract requirements and overall best value proposed cost solution. Additionally, AWS was the only proposer to provide a complete product offering that met the objectives of the RFP. The other two proposal responses received had limited product offerings, incomplete price proposals, and were not able to meet the objectives of the RFP.

This contract, if awarded, will be the first of its kind in the national cooperative contract portfolio offering. With this in mind, it will take time to implement this within the City, as well as roll this out nationwide. For these reasons, the City is recommending a five (5) year initial contract term, with an option to renew for an additional (5) years and seeking an exemption from the 3-year requirement for long-term contracts.

PROCESS:

Vendor Name and Address:

Amazon Web Services, Inc.
 410 Terry Avenue North
 Seattle, WA 98109

Reason for Selection:

Best Value

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Funding is included in the FY 2023 Adopted Budget and the FY 2024-2027 Projected Budgets

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Various Citywide	Various Citywide	Various.801000/ Professional Services	\$50,000	\$50,000	\$0

RECOMMENDATION:

It is recommended that City Council authorize a contract/blanket purchase order for the purchase of various software products and cloud solutions through an online software marketplace to Amazon Web Services, Seattle, Washington in the amount not-to-exceed \$50,000.00 through December 31, 2027 and further authorizes the Mayor to execute an agreement on behalf of the City.

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APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A