



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2023-0199

TO: Mayor and City Council Members
FROM: Rochelle Lyon, Information Systems Director
DATE: May 8, 2023
SUBJECT: Support and Software Maintenance for HPE Storage Products

REQUEST:

City Council is requested to authorize a purchase order in the amount of \$75,000.00 for the City's HPE (Hewlett Packard Enterprise) server and storage system support and software maintenance contract for a two-year period to IT Solutions Group, Novi, Michigan.

REASON FOR PURCHASE:

The City posted an Invitation to Bid for the renewal of the City's HPE server and storage support and software maintenance contract utilizing the MITN system. Only one (1) bid response was received. Receiving one bid response was not totally unexpected, based on HP's vendor distribution model in which once a vendor is associated with your account they are provided first rights to the most competitive pricing and other vendor's will not bid when they verify this through their pricing request with HP. In order to ensure the City was being fair and competitive, we determined that it was in the best interest of the City to post the bid publicly and open it for competition. Unfortunately, only the one (1) bid was received as anticipated. The City has utilized IT Solutions Group in the past, and have been very satisfied with the service and support they have provided and recommend award of the HPE server and storage system support and software maintenance contract to them as the lowest, responsive, responsible bidder.

The MIS Department operates and maintains an HPE server and storage system for the City. Our support and software maintenance contract is up for renewal. This two year contract provides us with the updates and upgrades that are necessary to keep our infrastructure current and protected, as well as providing technical support for the hardware to the MIS Department.

PROCESS:

Vendor Name and Address:

IT Solutions Group LLC
24875 Novi Road, Suite 236
Novi, MI 48376

Reason for Selection:

Lowest, Responsive, Responsible Bidder

Method of Purchase:

Purchase Order

BUDGET:

Funding is included in the FY 2023 Adopted Budget and the FY 2024 Projected Budget.

Fund Name	Department Account No	Account No. Description	2-year Budget Amount	2-year Cost	Remaining Budget
MIS	636.934000	Maintenance Software	\$75,000	\$75,000	\$0

RECOMMENDATION:

It is recommended that City Council authorize a purchase order to IT Solutions Group of Novi, Michigan in the amount of \$75,000 for a support and software maintenance contract for the City's HPE server and storage system.

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