



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2025-0076

TO: Mayor and City Council Members

FROM: Rochelle Lyon, Director Management Information Systems

DATE: March 17, 2025

SUBJECT: Microsoft Server Licenses

REQUEST:

City Council is requested to authorize a blanket purchase order for Microsoft server licenses to CDW-G, Vernon Hills, Illinois in the amount not-to-exceed \$125,000.00 for a three-year term to expire March 31, 2028.

REASON FOR PURCHASE:

The City of Rochester Hills utilizes various Microsoft software products. These products such as Microsoft Windows Server and Microsoft SQL Database Server run the core computerized business needs of the City. These products must be licensed properly for legal and security reasons. Software maintenance, called Software Assurance in Microsoft terms, must be kept up to date to allow the City to utilize tech support, necessary security and functionality updates and the newest versions of the software. The City purchases Microsoft product licensing through the use of cooperative agreements, which provides us the greatest volume discounts. CDW-G contract through the State of Michigan's MiDeal Program provides the overall lowest costs to the City to provide the products/services needed.

At this time, it is necessary to update our licensing to begin a new contract term. The current cost for the license renewal is \$86,018.34. The City is requesting a blanket purchase order in the amount of \$125,000.00 to allow for additional funding should there be a need to purchase additional licensing that may be needed during the term of the agreement. The term of the contract is 3 years and will cover the dates of April 1, 2025 through March 31, 2028.

PROCESS:

Vendor Name and Address:

CDW-G
120 S. Riverside Plaza
Chicago, IL 60606

Reason for Selection:

MiDeal Extended Purchasing Program

Method of Purchase:

Blanket Purchase Order

BUDGET:

Funding is included in the FY 2025 Adopted Budget and the FY 2026-2027 Projected Budgets

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
MIS	636.934000	Maintenance – Software	\$157,630	\$125,000	\$32,630

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order for Microsoft server licenses to CDW-G, Vernon Hills, Illinois in the amount not-to-exceed \$125,000.00 for a three-year term to expire March 31, 2028.

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