



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2025-0134

TO: Mayor and City Council Members

FROM: Joe Snyder, Chief Financial Officer
Lisa Cummins, Procurement Manager

DATE: May 12, 2025

SUBJECT: Procurement Lifecycle Management Software Solution

REQUEST:

City Council is requested to authorize a blanket purchase order/contract for a cloud-based Procurement Lifecycle Management Software Solution to SOVRA, Latham, New York in the amount not-to-exceed \$121,754.38 for a three (3) year contract term to expire May 31, 2028 and further authorizes the Procurement Manager to execute an agreement on behalf of the City.

REASON FOR PURCHASE:

For over 20 years, the City of Rochester Hills has been a proud member of the MITN network, having been a founding member of the MITN system, and one of the first in Michigan to implement an online solicitation distribution and bid submission system. This long-standing partnership has served us well, providing access to a vast network of suppliers which is shared among all the entities participating in the MITN site, streamlining our bid notifications, as well as being responsible for the creation of the MITN Cooperative Purchasing Group, which meets monthly and has resulted in several successful cooperative procurement contracts/collaborations over the year.

As the City has grown, so has the complexity of our Procurement operations. In 2020, the City recognized the need to evaluate our processes and systems and in collaboration with MIS, issued a Request for Information to explore potential Procurement Lifecycle Management (PLM) platforms. The City received seventeen (17) responses and after careful consideration, we determined that staying with MITN and SOVRA was in the best interest of the City. The SOVRA platform is offered through a national cooperative agreement with OMNIA partners and we are proposing to utilize that contract for this purchase which provides

Our continued partnership in MITN offers access to a shared platform with over 280 other organizations across Michigan. This collaboration is invaluable as it expands our reach to a larger pool of suppliers all over Michigan, increases competition, and gives our region influence in partnership with SOVRA to shape the system to meet our specific needs. Leaving MITN would isolate us, and would not be beneficial to move to a siloed system in which we are the only entity participating in it.

While our commitment to MITN remains strong, the RFI process, along with the City's submission for the Achievement of Excellence in Procurement Award, where a score is provided based on criteria designed to measure how well an organization is meeting best practices, and in looking at both of these, it has highlighted a critical need for the City to automate our internal procurement processes. Currently, our team heavily relies on manual methods, using Word and Excel to create forms and manage contracts. This is time-consuming, labor-intensive, and doesn't allow us to easily share information or for us to be as efficient as we need to be.

To address these challenges, the City is recommending investment in a Procurement Lifecycle Management Software solution. This system offers a comprehensive offering of tools to automate and streamline every stage of the procurement lifecycle.

In implementing this system, the City will be able to:

1. Automate our evaluation processes, moving away from a manual scoring and tabulation process;
2. Track vendor performance by establishing a formal system to monitor and evaluate our vendor relationships;
3. Modernizing contract management by having tools to create, track, and manage contracts efficiently, including change tracking, version control, and electronic signature.

Additionally, the City will be able to improve processes outside of procurement. To fully leverage the PLM system's capabilities, we will also need to implement a digital signature platform. We are working on evaluating the available options to acquire DocuSign, which will become our standard for electronic signatures.

Throughout this process, MIS has been a key partner, ensuring seamless integration and adherence to security protocols. SOVRA's PLM system meets all of the City's requirements and will empower our team to operate more strategically, efficiently, and transparently, ultimately benefitting all of our stakeholders. It is expected that the City's procurement team will see significant returns in efficiency, compliance, and overall effectiveness in operations, which ultimately will allow us to be more effective in other areas, and focus our time, skills and expertise in areas where we can make an impact and improve our overall lead times and services to our stakeholders.

The City is recommending authorization for award of the PLM system to SOVRA for an initial term of three years, with the first-year implementation and software costs totaling \$56,545.83, second year software costs at \$31,809.05 and third-year software costs at \$33,399.50.

PROCESS:

Vendor Name and Address:

Bidnet Direct/SOVRA
15 British American Blvd
Latham, NY 12110

Reason for Selection:

Cooperative Contract

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding is included in the FY 2025 Adopted Budget and the FY 2026-2028 Projected Budgets

Fund Name	Department Account No	Account No. Description	3-Year Budget Amount	3-Year Cost	Remaining Budget
General Fund	171.801000	Professional Services	\$155,000.00	\$121,754.38	+\$33,245.62

RECOMMENDATION:

City Council is recommended to authorize a blanket purchase order/contract for a cloud-based Procurement Lifecycle Management Software Solution to SOVRA, Latham, New York in the amount not-to-exceed \$121,754.38 for a three (3) year contract term to expire May 31, 2028 and further authorizes the Procurement Manager to execute an agreement on behalf of the City.

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