



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2020-0105

TO: Mayor and City Council Members

FROM: Kevin Krajewski, Director of Management Information Systems

DATE: March 16, 2020

SUBJECT: J.D. Edwards Enterprise One Financial System Upgrade Project

REQUEST:

City Council is requested to authorize a project budget for consulting services and application hosting and management services for three years to upgrade the City's financial system J.D. Edwards to the latest tools release in the amount not-to-exceed \$813,284.00 to Denovo, Boulder, Colorado. This amount includes a 15% project contingency.

REASON FOR PURCHASE:

The City's Purchasing Division issued a Request for Proposals for a Consultant to assist with the City's JDEdwards Upgrade Project utilizing the MITN system with five (5) proposal responses received. A committee consisting of staff from Human Resources, Accounting, Fiscal, Purchasing and MIS departments evaluated the responses received in accordance with the evaluation criteria specified in the proposal document. Based on the proposal responses received, Denovo offered the best overall solution at the best value cost proposal. The other proposal offerings did not demonstrate their capacity to be able to provide the work. The other proposal responses received lacked references for other public sector clients they have performed work for, lacked detailed work plans, did not provide references related to other public sector clients they have worked with, had limited experience with upgrade of JDE services from 9.1 to 9.2, and higher costs.

The City's RFP requested optional pricing for a hosted software solution. The City met with Denovo to discuss their proposal in further detail and to inquire further about the hosted services solution they offered in their RFP response. The hosted services solution will provide the City with a hosted and managed environment for our JD Edwards financial system. The City contacted references of clients that Denovo provides similar services to and all references received were positive. Additionally, the City has utilized Denovo in the past for their JDE projects and has been satisfied with the services received. Based on all these factors, it is recommended that the City award this project to Denovo.

Included within this total project budget request is the hosting fee for managed services for a term of three years and upgrade services which are anticipated to be approximately \$813,284.00. This project budget amount includes a 15% contingency covering both the upgrade services and managed application hosting services. Total bid amounts included \$199,920 for upgrade services and \$461,016 for managed hosting services with a 15% project contingency of \$152,348.

PROCESS:

Vendor Name and Address:

Denovo
6400 Lookout Road, Suite 101
Boulder, CO 80301

Reason for Selection:

Best Value

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding is included in the FY 2020 Adopted Budget.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
MIS	636.980000	IS-12A: Financial Software System Replacement/Upgrade	\$1,000,000	\$813,284	\$186,716

RECOMMENDATION:

City Council is requested to authorize a project budget for consulting services to upgrade the City's financial system J.D. Edwards to the latest tools release in the amount not-to-exceed \$813,284.00 to Denovo, Boulder, Colorado.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A