



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: 2018-0377

TO: Mayor and City Council Members
FROM: Kevin Krajewski, MIS
DATE: August 24, 2018
SUBJECT: Renewal of Google Apps Hosted Email Services

REQUEST:

City Council is requested to approve a purchase for a one year renewal of hosted Google Apps email services and BetterCloud management application to Onix Networking Corporation, Lakewood OH in the amount of \$38,630.80.

REASON FOR PURCHASE:

The City moved to a hosted Google Apps email platform in September of 2010. The service has been working well and the City makes use of many of the additional services included in the Google Apps package. This purchase is a yearly renewal.

The City is unable to obtain better pricing than what Onix Networking Corporation is currently offering the City. Purchasing reached out to several Google App Partners to try and obtain pricing and was informed that based on our SIMBA approval on our account that no other vendor is able to provide us lower pricing than what we currently receive through Onix Networking Corporation. SIMBA is a discount that is provided by Google and is only valid if the City's current partner uses it. We can receive additional quotes but they would be higher and most partners I reached out to would not provide pricing because they stated they could not be competitive. The Purchasing Division has reached out to Google to see if there is additional ways in the future to still obtain the discounted pricing and seek competition but has not received a response to the inquiry yet. Based on the City's need to renew the licenses it is recommended that award be made to Onix Networking Corporation as the lowest cost available to the City. The Purchasing Division will continue to research this to see if there is anything that can be done; however it is unlikely as this is a method than many of the larger technology firms utilize. HP and Dell have a setup that is very similar to Google.

PROCESS:

Vendor Name and Address:

Onix Networking Corporation
18519 Detroit Ave
Lakewood, OH 44107

Reason for Selection:

Best Value

Method of Purchase:

Contract/Purchase Order

BUDGET:

Funding is included in the FY 2018 Adopted Budget. The amount over budget will come from other items within the Contractual Services line item. No funding will be required from Retained Earnings.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
MIS Fund	636.807000	Contractual Service	\$38,000.00	\$38,630.80	(\$630.80)

RECOMMENDATION:

It is recommended that City Council authorize the purchase of hosted Google Apps email services and BetterCloud management tool from Onix Network Corporation, Lakewood, OH in the amount of \$38,630.80

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