



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)

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Legislative File No: 2026-0249

**TO:** Mayor and City Council Members

**FROM:** Rochelle Lyon, Director Management Information Systems

**DATE:** June 8, 2026

**SUBJECT:** J.D. Edwards Enterprise One Financial System Managed Services

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**REQUEST:**

City Council is requested to authorize a blanket purchase order/contract for Functional Support and Application Lifecycle Management support services for the City's J.D. Edwards Enterprise Resource Planning software system to Denovo, Boulder, Colorado in the amount not-to-exceed \$1,800,000.00 through June 30, 2031 and further authorizes the Procurement Manager to execute a contract amendment on behalf of the City.

City Council is requested to waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 5-year contract.

**REASON FOR PURCHASE:**

At their March 16, 2020 meeting (Legislative File No. 2020-0105), City Council authorized the initial award of a contract to Denovo for the upgrade of the City's financial system, along with providing a hosted software solution for the management of the City's J.D. Edwards Enterprise One Financial System, with a subsequent three (3) year contract renewal approved at their May 8, 2023 meeting (Legislative File No. 2023-0201). The contract included an initial term of three years with the option to renew for future years.

The City has been highly satisfied with the technical expertise and responsiveness of Denovo during the past six (6) years and has found the managed services aspect of this agreement to be of benefit to the City by reducing costs to maintain in-house servers, allow better utilization of MIS staff resources to other systems within the City, and overall, by having one resource for the support and maintenance of the City's financial system. Through discussion to extend the agreement, Denovo has agreed to hold pricing and terms and extend the agreement for an additional five (5) years. Based on the cost that would be involve to transition to a new provider, and change servicers and redirect internal systems, the City is recommending the City extend the agreement.

The requested contract amount includes the monthly fees for a fully managed application hosting services which includes enhancement and functional support, application lifecycle management services, and additional contingency should any specialized services/projects be needed for specific departmental needs (e.g. changes with legal requirements where updates to reporting may be needed and require specific development services). Additionally, the City has also included in the requested amount, additional funding that human resources, accounting, and purchasing each budget within their departments on a yearly basis for any additional needs above and beyond our managed scope agreements.

**PROCESS:**

**Vendor Name and Address:**

Denovo  
6400 Lookout Road, Suite 101  
Boulder, CO 80301

**Reason for Selection:**

Best Value/Contract Extension

**Method of Purchase:**

Contract Amendment/Blanket Purchase Order

**BUDGET:**

Funding is included in the FY 2026 Adopted Budget and the FY 2027-2031 Projected Budgets

<b>Fund Name</b>	<b>Department Account No</b>	<b>Account No. Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
G.F. – Mayors	171.801000	Professional Services	\$125,000	\$125,000	\$0
G.F. – Accounting	201.801000	Professional Services	\$25,000	\$25,000	\$0
G.F. - HR	233.801000	Professional Services	\$150,000	\$150,000	\$0
MIS	636.801000	Professional Services	\$1,500,000	\$1,500,000	\$0
		<b>Total</b>	<b>\$1,800,000</b>	<b>\$1,800,000</b>	<b>\$0</b>

**RECOMMENDATION:**

City Council is requested to authorize a blanket purchase order/contract for Functional Support and Application Lifecycle Management support services for the City’s J.D. Edwards Enterprise Resource Planning software system to Denovo, Boulder, Colorado in the amount not-to-exceed \$1,800,000.00 through June 30, 2031 and further authorizes the Procurement Manager to execute a contract amendment on behalf of the City.

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

**Contract Reviewed by City Attorney**

Yes

N/A

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