



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2024-0484

TO: Mayor and City Council Members
FROM: Rochelle Lyon, Director Management Information Systems
DATE: November 11, 2024
SUBJECT: Oracle Software, Support and Licensing Purchase

REQUEST:

City Council is requested to authorize a blanket purchase order for the annual licensing, software and support services for the City's ERP system, JDEdwards, to Oracle America, Dallas, Texas with payment in c/o Denovo Ventures, Boulder, Colorado in the not-to-exceed amount of \$130,662.00.

REASON FOR PURCHASE:

The City's MIS division annually audits the City's current software systems to ensure compliance with several varying factors. During the review of the City's ERP system, it was found that additional licensing was required due to increased hires and issuance of W2's. The City engaged their JDEdwards managed services partner, Denovo Ventures, to assist the City with this review and reconciliation of licensing for the system. Based on this review, it was determined that the City needs to purchase an additional 300 licenses to remain in compliance of our license agreement and to allow room to grow in the future.

Denovo was able to utilize their partner agreement with Oracle, as the City's managed services provider to obtain a 40% discount (a much deeper discount than the City itself could obtain) on the licensing, as long as approval and payment is made prior to November 30, 2024. Due to Denovo utilizing its partner agreement, the City will need to issue payment to Denovo, who will make payment to Oracle America on the City's behalf. Future years support and licensing will be paid directly to Oracle by the City.

The City is recommending moving forward with approval of the purchase of additional licenses to bring the City's ERP system into full compliance with Oracle America's agreement and approves the one (1) year software and support services for the system as well.

PROCESS:

Vendor Name and Address:

Oracle America, Inc.
PO Box 203448
Dallas, TX 75320-3448

Payment in C/O Denovo
6400 Lookout Road, Suite 101
Boulder, CO 80301

Reason for Selection:

Proprietary Software

Method of Purchase:

Blanket Purchase Order

BUDGET:

Partial Funding is included in the FY 2025 Adopted Budget.

In the 4th quarter 2024 and 1st quarter 2025 budget amendments, the City will be carrying over unused funds from the 2024 MIS Maintenance-Software budget to cover this additional 2025 expense.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
MIS Fund	636.934000	Maint-Software	\$95,316.72	\$130,662.00	(\$35,345.28)

RECOMMENDATION:

City Council is requested to authorize a blanket purchase order for the annual licensing, software and support services for the City's ERP system, JDEdwards, to Oracle America, Dallas, Texas with payment in c/o Denovo Ventures, Boulder, Colorado in the not-to-exceed amount of \$130,662.00.

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