



AGENDA COVER MEMO

Memorandum Date: September 3, 2025

Order Date: September 23, 2025

TO: Board of County Commissioners

DEPARTMENT: Technology Services

PRESENTED BY: Cheryl Ruede

AGENDA ITEM TITLE: ORDER_____IN THE MATTER OF AUTHORIZING THE PURCHASE OF VIRTUAL SERVER HOSTING SOFTWARE SUBSCRIPTION LICENSING FROM SHI INTERNATIONAL CORP., IN AN AMOUNT NOT-TO-EXCEED \$400,000.00 OVER 3 YEARS, AND GRANTING AUTHORITY TO THE COUNTY ADMINISTRATOR TO EXECUTE THE CONTRACT.

I. MOTION

Move to approve the purchase of virtual server hosting software platform subscription licensing from SHI International Corp., in an amount not-to-exceed \$400,000.00 over 3 years, and granting authority to the County Administrator to execute the contract.

II. AGENDA ITEM SUMMARY

The board is being asked to approve a three - year contract for the virtual server hosting software platform subscription licensing payable in annual installments. This will lock in the price for three years and allow for predictable licensing costs for the term of the agreement.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The board has previously approved multi-year license agreements to lock in software platform licensing costs for the CommVault backup software (3 years) and the Microsoft Enterprise Agreement for Office productivity and computer operating system licensing (3 years).

B. Policy Issues

There are no known policy issues.

C. Board Goals

Maintaining a modern virtual server platform for County resources supports a robust and stable technical infrastructure.

D. Financial and/or Resource Considerations

Levelling annual cost increases for software subscription licenses is a strategic action we can take to help hedge against increasing technical expenses.

E. Health Implications

No known health implications.

F. Analysis

The software platform used to operate Lane County's virtual servers was acquired by a new company last year. That company has changed the licensing model from perpetual licenses to an annual subscription model for the product and has also increased the annual subscription licensing costs substantially. This cloud platform is designed to modernize data centers and streamline the deployment of modern applications.

G. Alternatives/Options

1. Move to approve the attached order for virtual server hosting software platform subscription licensing from SHI International Corp., in an amount not-to-exceed \$400,000.00 over 3 years.
2. Stay with the annual subscription pricing and accept price increases as they come year over year.
3. Switch virtual server hosting platforms. Changing to another hosting platform is possible but is a multi-year and more expensive process. Comparable enterprise grade virtual server hosting platforms cost more, are not as mature as the current platform in use, and require purchasing all new hosting hardware.

IV. RECOMMENDATION

Technology Services recommends Option 1, above.

V. TIMING/IMPLEMENTATION

If the recommendation is approved the multi-year license agreement can be implemented

in the next renewal of the subscription licenses at the end of September 2025. Next steps are to issue a purchase order ahead of the renewal with the quoted three-year contract price payable in annual increments.

VI. FOLLOW-UP

There are no known follow up actions required at this time.

VII. ATTACHMENTS

Exhibit A - SHI Quote



Pricing Proposal
Quotation #: 26599772
Created On: 9/4/2025
Valid Until: 9/25/2025

OR-County of Lane

Will Cordova
125 EAST EIGHTH AVE.
Regional Info System
Eugene, OR 97401
United States
Phone: (541)682-4017
Fax:
Email: LCISSTADM@lanecountyor.gov

Inside Account Manager

Kyle LaPorte
290 Davidson Ave
Somerset, NJ 08873
Phone: 800-527-6389 EXT. 555-3610
Fax:
Email: kyle_laporte@shi.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 VMware Cloud Foundation VMware - Part#: VCF-CLD-FND Contract Name: OMNIA Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 9/28/2025 – 9/27/2026 Note: Year 1	288	\$376.90	\$108,547.20
2 VMware Cloud Foundation VMware - Part#: VCF-CLD-FND Contract Name: OMNIA Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 9/28/2026 – 9/27/2027 Note: Year 2	288	\$376.90	\$108,547.20
3 VMware Cloud Foundation VMware - Part#: VCF-CLD-FND Contract Name: OMNIA Partners - IT Solutions Contract #: 2018011-02 Coverage Term: 9/28/2027 – 9/27/2028 Note: Year 3	288	\$376.90	\$108,547.20
Shipping			\$0.00
Total			\$325,641.60

Additional Comments

This is a Multi-Year term with an annual payment structure.

This is a 3 year billing schedule.

By purchasing year 1, customer commits to the following schedule:

Payment 1: \$108,547.20 due Net 30 from the original purchase

Payment 2: \$108,547.20 will be invoiced 1 year from the original purchase date and due NET 30

Payment 3: \$108,547.20 will be invoiced 2 years from the original purchase date and due NET 30

Total 3-Year Cost: \$325,641.60

Termination language:

<https://www.broadcom.com/company/legal/licensing/termination-for-convenience>

Keep in mind, VMWare recently changed their approval process for reinstatement fees. A completed waiver form and valid business case are required in order to be considered for approval. Please make sure to send over all POs prior to your expiration date to avoid the reinstatement fee.

Please note the following:

- 1) VMware EULA <https://docs.broadcom.com/docs/end-user-agreement-english>
- 2) VMware Does Not offer a standard return policy
- 3) Service offerings are non-refundable. For these products, orders are non-cancellable and non-returnable from point of order.
- 4) PSO Credits are only active for 1 Year

Thank you for choosing SHI International Corp! The pricing offered on this quote proposal is valid through the expiration date listed above. To ensure the best level of service, please provide End User Name, Phone Number, Email Address and applicable Contract Number when submitting a Purchase Order. For any additional information including Hardware, Software and Services Contracts, please contact an SHI Inside Sales Representative at (888) 744-4084. SHI International Corp. is 100% Minority Owned, Woman Owned Business. TAX ID# 22-3009648; DUNS# 61-1429481; CCR# 61-243957G; CAGE 1HTF0

Please Note, Broadcom product lines have the following reinstatement fee policy:

- o Effective immediately, late orders will be charged a 25% reinstatement fee.
- o Every additional week late will result in an incremental 10% fee added

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO:

In the Matter of Authorizing the Purchase of Virtual Server Hosting Software Subscription Licensing From SHI International Corp., in an Amount Not-To-Exceed \$400,000.00 Over 3 Years, and Granting Authority to the County Administrator to Execute the Contract.

WHEREAS, the Board of Commissioners is requested to delegate authority to the County Administrator or designee to approve the three-year contract and payment to SHI International Corp., in an amount not-to-exceed \$400,000.00;

WHEREAS, the attached quote requires Technology services to pay SHI International Corp., an amount not-to-exceed \$400,000.00 over three years.

NOW, THEREFORE, the Board of County Commissioners of Lane County **ORDERS** as follows:

1. Authorization and delegation of authority to the County Administrator or designee to approve the three-year contract and payment to SHI International Corp., in an amount not-to-exceed \$400,000.00.

ADOPTED this ____ day of _____, 2025.

David Loveall, Chair
Lane County Board of Commissioners