



Legislation Details (With Text)

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**Type:** BID, RFP, RFQ, COOP, SOLE SOURCE, OPTION YEAR      **Status:** Passed  
**File created:** 6/24/2022      **In control:** City Council  
**On agenda:** 7/19/2022      **Final action:** 7/19/2022  
**Title:** Approve the award of Option Year Three to Contract 19-134, Palo Alto Firewall, to Continental Resources, Inc., for an amount not to exceed \$152,280

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
7/19/2022	1	City Council	approved	Pass

**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve the award of Option Year Three to Contract 19-134, Palo Alto Firewall, to Continental Resources, Inc., for an amount not to exceed \$152,280

**DEPARTMENT:** Electric Utility

**SUBMITTED BY:** Brian Groth, Director

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

The purpose of this contract is to provide the Electric Utility support for the Palo Alto firewalls including licensing, software upgrades, security patches, and support services. The support agreement for the Palo Alto Equipment is critical to the security and operations of the Utility's Supervisory Control and Data Acquisition (SCADA) system, Smart Grid network and the Empower customer portal.

The City Council awarded Contract 19-134 to Continental Resources, Inc. on June 4, 2019 for a one-year term with six, one-year options to renew.

**DISCUSSION:**

Throughout the first two years of the contract, the Electric Utility regularly leveraged the Palo Alto helpdesk to improve the security of new and existing firewall rules, install security patches, and upgrade the Palo Alto firewall's operating systems. Based upon the vendor's performance, the Electric Utility would like to renew the contract for the third option year.

In late 2021, Palo Alto added machine learning functionality to the Palo Alto Firewall's threat defense suite and this additional functionality has caused a price increase from previous years. Cyber Security of the electric grid is critical to the city's electric utility reliable and safe operations. The new machine learning functionality will allow the utility to detect zero-day cybersecurity threats within milliseconds. Additionally, the new machine learning URL filtering will allow for a self-improving detection algorithm to block threats as attackers change their techniques and leverage automation.

The term of the third option year is August 1, 2022 to July 31, 2023 with three, one-year options remaining on the agreement.

**FISCAL IMPACT:**

CIP#: N/A

Support services for the Palo Alto Firewall is budgeted and expensed to the Software & Hardware Maintenance account listed below for a total of \$115,000 in 2022. The requested award for this service exceeds the budget by \$37,280, however there is sufficient funds in the Electric Utility fund to support the overage.

<b>Account Number</b>	<b>Fund Description</b>	<b>Total Budget Amount</b>
40331300-531312	Electric Utility Fund	\$1,387,373