



Legislation Text

File #: 19-528, **Version:** 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Bid 19-134, Palo Alto Firewall Upgrade, to Continental Resources, Inc. for an amount not to exceed \$256,260 and for a one-year term

DEPARTMENT: Electric Utility

SUBMITTED BY: Olga Geynisman, Deputy Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In April 2018, the Electric Utility issued Bid 19-134, Palo Alto Firewall Upgrade, to secure a vendor to provide new Palo Alto firewalls, licensing and support services to the Utility. This equipment will replace end of life equipment and enable the Utility to more clearly identify threats to its networks. These devices will be placed at key points in the Electric Utility's network to secure its supervisory control and data acquisition (SCADA) and Smart Grid networks from cyber-attacks.

Deployment of this equipment will be completed by Electric Utility staff prior to the Utility's scheduled cyber security audit later this year and subsequent release of the Utility portal.

DISCUSSION:

| | | | |
|---------------------|------------|---------------------|----|
| Advertisement Date: | 04/25/2019 | Notices Sent: | 91 |
| Opening Date: | 05/09/2019 | Planholders: | 6 |
| | | Proposals Received: | 2 |

Bids were received from the following vendors:

| Vendor Name | Proposed Cost |
|-----------------------------|---------------|
| Continental Resources, Inc. | \$256,260 |
| SHI, Inc. | \$448,267.04 |

Continental Resources has previously provided goods to the City, delivering on time and within budget.

In addition to requesting pricing for the new firewalls, staff also requested pricing for multiple years of support to evaluate total cost of ownership. As part of the bid specifications, the Utility reserves the

right to award the option years for the yearly support or to cancel and re-bid should the market or Utility needs change. The award in the amount of \$256,620 is for the firewall purchase as well as the first year of support services.

The term of the contract for the support services is one year from June 1, 2019 to May 31, 2020 with six one-year options to extend.

FISCAL IMPACT:

CIP #: 80 Utility Infrastructure Hardware

The cost for the Palo Alto Firewall Upgrade is budgeted in the Infrastructure account listed below. For 2019, \$240,000 is budgeted for infrastructure hardware (EU80). However, the remainder of the award will be funded from saving in other projects.

| Account Number | Fund Description | Total Budget Amount |
|-----------------|------------------|---------------------|
| 40251300-551502 | Electric Utility | \$10,214,000 |
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