



# City Council Report

**Date:** July 11, 2016  
**To:** City Council  
**Through:** Alex Deshuk, Chief Innovation Officer  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** Purchase of Server/Storage Hardware for the City's IT Security Auditing System for the Information Technology Department **(Citywide)**

## Purpose and Recommendation

Council is requested to approve the purchase of server/storage hardware to enhance Cyber-Security Protection for the City's computer network.

The Information Technology Department and Purchasing recommend authorizing purchase using cooperative contracts with vendors CDWG at \$27,107.75; and EMC Corporation at \$73,727.16; for a combined total award of \$100,834.91.

## Background / Discussion

This purchase will provide the supporting server/storage hardware to enhance the cyber-security protection for the City's computer network. A separate agreement is being finalized to update the City's licensing of the Splunk software used. The estimated cost to update our licensing and software agreement is \$151,008.00. This purchase will be included on the quarterly report to Council as a professional service.

The City has been using the "Splunk" software to collect, monitor and audit security event data primarily in the Windows server and Directory environment to detect unauthorized access and changes. Splunk provides daily reports and dashboards that are useful to the IT Security Team; the data they need to perform audits, respond to incidents and handle security investigation requests.

However, in today's quickly evolving threat landscape, information security teams need to have better, more intelligent, actionable data, from as many sources as possible in order to rapidly implement new threat detection techniques and countermeasures. The Information Technology Department would like to expand the use of Splunk in the enterprise to include the collection of logs from all infrastructure devices, including: servers, network devices, databases, and key workstations. The additional data, combined with Splunk's Enterprise Security (ES) add-on, will help the City build the framework for a Security Intelligence Platform capable of identifying known and unknown threats in real-time while greatly reducing overall security exposure and response times.

With the implementation of Splunk ES on dedicated server hardware, and the added capacity of Core Splunk, the City will immediately gain end-to-end visibility of system activities and threats across the enterprise. This is the Phase 2, the second of two

expansions to the Splunk products used by the City. We will expand the system's ability to see threats coming from City owned workstations and Wi-Fi networks as well as monitor and protect the City Utilities SCADA network.

### **Alternatives**

Council may choose not to authorize purchase.

### **Fiscal Impact**

This purchase is funded by the Information Technology FY 2016/17 budget.

### **Coordinated With**

Information Technology and Purchasing

### **PURCHASING INFORMATION I**

Action: One-Time Purchase

Procurement Type: Cooperative Contract

Contracting Agency: State of Arizona

Contracting Agency Contract Number: ADSPO12-024634

Mesa Contract Number: 2016284

### **AWARD RECOMMENDATIONS**

***CDW Government***

**Chicago, IL**

Description	
Cisco Network Hardware per Quote HCVH486 dated 6/2/2016	
Base	\$25,501.17
Applicable Tax	<u>\$1,606.58</u>
CDW Total	<u><b>\$27,107.75</b></u>

**PURCHASING INFORMATION II**

Action: One-Time Purchase

Contracting Agency: State of Arizona

Contracting Agency Contract Number: ADSPO16-100284

Mesa Contract Number: 2016284

**AWARD RECOMMENDATIONS**

***EMC Corp.***  
**Hopkinton, MA**

Description	
EMC Storage Hardware and Service per Quote #6000397433 V02 dated 6/6/2016	
Base	\$68,297.51
Estimated 7.95% Tax	<u>\$5,429.65</u>
EMC Total	<b><u>\$73,727.16</u></b>

**Total: \$100,834.91**

(Software Licensing/Maintenance Agreement separate purchase reported on the quarterly report to Council)