



Office of the City Manager

CONSENT CALENDAR  
May 11, 2021

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Savita Chaudhary, Director, Department of Information Technology

Subject: Contract: Digital Hands for Cybersecurity Event Monitoring and Security Information and Event Management (SIEM)

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to enter into a contract and subsequent amendments with Digital Hands, for Cybersecurity Event Monitoring and Security Information and Event Management (SIEM) services, increasing the previously authorized contract amount by \$209,980 for a revised not to exceed amount of \$614,980, and a term from May 14, 2021 to June 30, 2024.

FISCAL IMPACTS OF RECOMMENDATION

Funding for these services is available in the Department of Information Technology's Fiscal Year (FY) 2021-2023 IT Cost Allocation Fund and General Fund, as outlined below. Spending for this contract in future fiscal years is subject to Council approval of the proposed citywide budget and annual appropriation ordinances.

FY 2021: Professional Services  
\$160,000 Budget Code: 680-35-363-382-0000-000-472-613130-  
(IT Cost Allocation, Security, Professional Services)

FY 2021: Professional Services  
\$115,000 Budget Code: 011-35-363-382-0000-000-472-613130-  
(General Fund, IT Department, Professional Services)

---

**\$275,000 Sub-Total: FY 2021 Professional Services**

FY 2022: Professional Services  
\$231,500 Budget Code: 680-35-363-382-0000-000-472-613130-  
(IT Cost Allocation, Security, Professional Services)

---

**\$231,500 Sub-Total: FY 2022 Professional Services**

\$108,480 FY 2023: Professional Services

Budget Code: 680-35-363-382-0000-000-472-613130-  
(IT Cost Allocation, Security, Professional Services)

---

**\$108,480 Sub-Total: FY 2023 Professional Services**

---

**\$614,980 Total: FY 2021-2023 Professional Services**

---

#### CURRENT SITUATION AND ITS EFFECTS

The Berkeley City Council previously authorized the City Manager to enter into a contract with Digital Hands for Cybersecurity Event Monitoring and Security Information and Event Management (SIEM) services under Resolution No. 69,521-N.S. on July 28<sup>th</sup>, 2020.

During initial contract negotiations with the vendor, the number of data sources used to establish the Request for Proposal (RFP) was validated, and the reconciled count required an increase of \$78,480 in spending authority.

Additionally, the City has recently acquired additional cyber security tools for "End Point Protection and Detection/ Response (EPP/EDR/MDR)" which resulted in the business need for additional professional services to cover the one-time onboarding fee for these new cybersecurity tools, and an annual fee is added to cover the ongoing monitoring.

Staff did not enter into a contract after initial negotiations were completed in order to issue a revision to the spending authority for these additional data points and professional services.

#### BACKGROUND

In 2018, the City developed a Cyber Resilience Plan (CRP) to provide the City a situational awareness of our cyber-risk exposure, the maturity of its cyber-security capabilities, the City's efficiency in addressing regulatory compliance, and to provide action items that ensure the City is equipped to handle cyber-attacks and mitigate the effects of a successful cyber-attack.

The CRP divided this effort into two sets of work: an as-is assessment and a to-be roadmap. In February 2020, the City of Berkeley issued a Request for Proposal (RFP) No. 20-11385-C for addressing two highest priority action items from the CRP:

Part A: Managed Security Service Provider (MSSP/SIEM)

Part B: End Point Protection and Detection/Response (EPP/EDR/MDR)

As part of AAO1 in December 2020, procurement of EPP/EDR/MDR along with additional cybersecurity tools were funded. Each of these tools invokes a one-time onboarding fee under Digital Hands' proposal, and the EPP/EDR/MDR tool additionally adds an annual monitoring fee. There is also an additional increase in the total number of data sets from 254 to 270 for monitoring.

The Department of Information Technology has also identified that a small contingency to be included to accommodate emergent and ad hoc professional services to address any unknown cyber security needs at this time.

Lastly, the CRP aligns with the City's adopted Strategic Plan goals of:

- Create a resilient, safe, connected, and prepared City
- Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities
- Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community; and adopts the strategies which align with the five (5) year Digital Strategic Plan (DSP).

#### ENVIRONMENTAL SUSTAINABILITY

All event monitoring and SIEM services are conducted remotely thus eliminating the need for travel to Berkeley, resulting in a reduction of greenhouse gas emissions for travel.

#### RATIONALE FOR RECOMMENDATION

This increase in spending authority restores the original scope of RFP No. 20-11385-C which addressed two of the highest priority cybersecurity needs of the City. With the restoration of Part 'B:' "End Point Protection and Detection/ Response (EPP/EDR/MDR)" of the RFP, the question of how to fund the security operations dimension was identified by the Department of IT as a component that would still need to be resourced in FY22. Procurement of the tools was resourced by AAO1 funding.

Each of the items in this resolution, and their associated increase in spending authority, has been identified by the City as necessary to completing the negotiations and signing the MSSP/SIEM contract, and to ensuring the new cybersecurity capabilities of AAO1 funding are implemented in an expeditious yet economical as well as manner conscious of the fiscal year.

#### ALTERNATIVE ACTIONS CONSIDERED

Staff considered pivoting to the second choice identified in the RFP 20-11385-C selection process, however, the time it would take to develop, negotiate, obtain spending authority for, and sign such a contract with that vendor would have left the City vulnerable to cyberattacks for the duration of the procurement and this process has already taken the City nearly nine (9) months.

Additionally and as was stated in the previous staff report, Digital Hands is the most qualified candidate to assist the City with implementing a robust event monitoring and SIEM solution to address the most urgent and critical items identified by the CRP.

#### CONTACT PERSON

Savita Chaudhary, Director, Department of Information Technology, 510-981-6541

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: DIGITAL HANDS FOR EVENT MONITORING AND SECURITY  
INFORMATION AND EVENT MANAGEMENT (SIEM)

WHEREAS, Cybersecurity ransomware attacks against local governments in the U.S. have been on the rise; and

WHEREAS, in February 2020, The City of Berkeley issued RFP No. 20-11385-C for a Managed Security Service Provider (MSSP) and received four qualifying responses; and

WHEREAS, the RFP review committee evaluated each proposal and determined that the proposal from Digital Hands best met the City's operational, technological, and fiscal requirements; and

WHEREAS, contract development and negotiations have subsequently identified that with the restoration of part B of RFP 20-11385-C, there are additional datasets that need to be included in the monitoring plus contingency funds to cover potential emergent professional services out-of-scope but related to the statement of work; and

WHEREAS, the City Council previously authorized, under Resolution No. 69,521-N.S., the City Manager to enter into a contract with Digital Hands, however during contract negotiations, it was determined that additional spending authority would be necessary; and

WHEREAS, Funding for these services is available in the Department of Information Technology's Fiscal Year 2021-2023 IT Cost Allocation Fund and General Fund, and spending for this contract in future fiscal years is subject to Council approval of the proposed citywide budget and annual appropriation ordinances.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to enter into a contract and subsequent amendments with Digital Hands, for Cybersecurity Event Monitoring and Security Information and Event Management (SIEM) services, increasing the previously authorized contract amount by \$209,980 for a revised not to exceed amount of \$614,980, and a term from May 14, 2021 to June 30, 2024.