



Legislation Details (With Text)

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**File created:** 10/2/2018    **In control:** Board of Port Commissioners

**On agenda:** 10/9/2018    **Final action:** 10/9/2018

**Title:** RESOLUTION AUTHORIZING PURCHASE ORDER NOT TO EXCEED \$500,000 AND SERVICE AGREEMENT NOT TO EXCEED \$250,000 FOR INITIAL PURCHASE, IMPLEMENTATION, LICENSING, AND MAINTENANCE OF NETWORK SECURITY EQUIPMENT AND SYSTEM WITH A FIVE YEAR TOTAL COST OF OWNERSHIP OF \$750,000. FY2019 EXPENDITURES ARE BUDGETED. FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 10. 2018-0470 Draft Resolution

Date	Ver.	Action By	Action	Result
10/9/2018	1	Board of Port Commissioners	adopted	

**DATE:** October 9, 2018

**SUBJECT:**

**RESOLUTION AUTHORIZING PURCHASE ORDER NOT TO EXCEED \$500,000 AND SERVICE AGREEMENT NOT TO EXCEED \$250,000 FOR INITIAL PURCHASE, IMPLEMENTATION, LICENSING, AND MAINTENANCE OF NETWORK SECURITY EQUIPMENT AND SYSTEM WITH A FIVE YEAR TOTAL COST OF OWNERSHIP OF \$750,000. FY2019 EXPENDITURES ARE BUDGETED. FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET.**

**EXECUTIVE SUMMARY:**

Through this agenda, Staff recommends procurement of additional network security equipment. Due to security considerations, the details of the specific equipment being procured and the implementation vendor are not being publically disclosed at this time.

**RECOMMENDATION:**

Adopt a Resolution authorizing purchase order not to exceed \$500,000 and service agreement not to exceed \$250,000 for initial purchase, implementation, licensing, and maintenance of network security equipment and system with a five-year total cost of ownership of \$750,000. FY2019 expenditures are budgeted. Funds required for future fiscal years will be budgeted in the appropriate fiscal years, subject to Board approval upon adoption of each fiscal year's budget.

**FISCAL IMPACT:**

Funds for the first year of this expenditure are budgeted for in the FY 18/19 Technology Management Program Services-Professional and Other account and Equipment and Systems account. Funds required for future fiscal years will be budgeted for in the appropriate cost account subject to Board approval upon adoption of each fiscal year’s budget.

	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23
Equipment/ Systems	\$ 340,000.00	\$ -	\$ -	\$ -	\$ -
Professional Services	\$ 250,000.00	\$ -	\$ -	\$ -	\$ -
Software Licenses	\$ -	\$ -	\$ -	\$ 80,000.00	\$ 80,000.00
Subtotal	\$ 590,000.00	\$ -	\$ -	\$ 80,000.00	\$ 80,000.00
TOTAL					\$ 750,000.00

**COMPASS STRATEGIC GOALS:**

This agenda item supports the following Strategic Goal(s).

- A Port that the public understands and trusts.
- A Port that is a safe place to visit, work and play.

**DISCUSSION:**

Through this agenda, Staff recommends procurement of additional network security equipment. Due to security considerations, the details of the specific equipment being procured and the implementation vendor are not being publically disclosed at this time.

Staff recommends procurement of the network security equipment through utilization of the “Western States Contracting Alliance - National Association of State Procurement Officials” (WSCA-NASPO) Master Price Agreement No. AR626, “Data Communications Products and Services”, a cooperative agreement which meets the competition requirements of Board of Port Commissioners Policy No. 110.

As to the implementation services agreement, in compliance with Board Policy No. 110 II(H), Staff recommends contracting with the equipment’s manufacturer as a single source agreement. Staff believes that this is the most efficient and reliable choice for time critical implementation.

In compliance with Board Policy No. 110 III(F), the 5-year Total Cost of Ownership of the recommended equipment is as follows:

Initial purchase (including tax, licensing and maintenance for years 1-3)	\$340,000
Implementation services	\$250,000
Licensing and maintenance for year 4	\$80,000
Licensing and maintenance for year 5	\$80,000
<b>5-Year TCO</b>	<b>\$750,000</b>

Staff recommends the Board authorize a purchase order not to exceed \$500,000 and service agreement not to exceed \$250,000 for initial purchase, implementation, licensing, and maintenance of network security equipment and system with a five-year total cost of ownership of \$750,000

**General Counsel’s Comments:**

The Office of the General Counsel has reviewed and approved this agenda as to form and legality.

**Environmental Review:**

The proposed Board action, approving purchase order and service agreement does not constitute a “project” under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because it will not have a potential to result in a direct or indirect physical change in the environment and is, therefore, not subject to CEQA. No further action under CEQA is required.

In addition, the proposed Board direction or action complies with Section 73 of the Port Act, which allows the Board to fix the salaries of officers by ordinance. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed presentation is consistent with the Public Trust Doctrine.

The proposed Board direction or action does not allow for “development,” as defined in Section 30106 of the California Coastal Act, or “new development,” pursuant to Section 1.a. of the District’s Coastal Development Permit Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required.

**Equal Opportunity Program:**

Not applicable.

**PREPARED BY:**

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