



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: FEBRUARY 5, 2016

ITEM NO: 5

File ID – 16-0202 – C

SUBJECT: PROFESSIONAL SERVICES AGREEMENT FOR A VULNERABILITY ASSESSMENT REPORT FOR RIVERSIDE PUBLIC UTILITIES – FOR \$342,000

ISSUE:

The issues for the Board of Public Utilities consideration are approval of a Professional Consulting Services Agreement with Securicon, LLC for a Vulnerability Assessment Report and approval of the related Work Order No. 1610130.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve Work Order No. 1610130 in the amount of \$342,000; and
2. Approve a Professional Services Agreement with Securicon, LLC located in Alexandria, Virginia, for preparation of the Vulnerability Assessment Report.

BACKGROUND:

Riverside Public Utilities (RPU) is requesting approval for the services of a professional consulting firm to conduct a vulnerability assessment and to develop guidelines for the City's physical and cyber security environments. In accordance with the latest best practices and generally accepted methodologies in physical and cyber security, the consultant will develop physical and cyber security guidelines. The guidelines will establish standards for personnel and asset protection, physical security and continuity of operations of water, electric and power generation systems, and the operation and maintenance of control systems. In addition, a checklist will be developed to document existing security features, vulnerabilities, and needed improvements.

The consulting firm will evaluate RPU's current policies and guidelines, and will assess all critical facilities including water wells, water treatment plants, water storage reservoirs, pump stations, power generation plants, electric substations, major electric supply remission points, major communication hubs, and office buildings. The firm will conduct a gap analysis outlining deviations in the current implementation against the new guidelines, and will document vulnerabilities that could lead to reduced integrity, confidentiality, or availability of the City's critical data. Recommendations will be made to address root causes of any identified vulnerabilities to reduce future risk, with planning level cost estimates for implementing physical and cyber security enhancements.

The need for such an assessment stems from increased cyber and physical security threats to the utility environment. Physical security threats, such as copper theft, have been known for years. However, more sophisticated threats have emerged, reiterating the need to continue to develop and enhance guidelines and practices to prepare for such attacks.

The City has conducted similar vulnerability assessments in prior years, and has taken action for improvements based on recommendations of those assessments. For example, following a 2010 physical security assessment of electric substations, RPU initiated the Electronic Security Project, implementing several physical security upgrades to the Utilities Operation Center (UOC), electric substations, and communication hubs. Upgrades included new cameras and security lights, an intrusion detection system, and an access monitoring and control system. The updated vulnerability assessment will assess these improvements and will recommend any additional needed upgrades.

On August 31, 2015, staff issued a Request for Proposal (RFP) for a Vulnerability Assessment Report. Two vendors submitted proposals on October 26, 2015. The evaluation panel consisting of key RPU staff with the City's Chief Security Officer deemed Securicon to be the preferred vendor to conduct the Vulnerability Assessment Report. The evaluation results are shown in the table below:

Vendors	Proposal Amounts	Evaluation Result Ranking
AECOM	\$473,000	2
SECURICON	\$342,000	1

The Purchasing Services Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 22576.

FISCAL IMPACT:

The total professional services expenditure for Work Order No. 1610130 is estimated to be \$342,000 as summarized in the following table:

Description	Amount	Percent of Total
Consultant Labor	\$281,700	82%
Consultant Expense	\$29,400	9%
Additional Engineering Services	\$30,900	9%
Total	\$342,000	100%

Sufficient funds are available in the Public Utilities' Admin Account No. 6025000-421000 (\$85,500), the Public Utilities' Power Resources Account No. 6120140-421000 (\$85,500), the Public Utilities' Water Operations Account No. 6200000-421000 (\$85,500), and the Public Utilities' Energy Delivery Account No. 6100000-421000 (\$85,500).

Prepared by: Kevin Milligan, Public Utilities Deputy General Manager
 Approved by: Girish Balachandran, Public Utilities General Manager
 Approved by: John A. Russo, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Laura Chavez-Nomura, Public Utilities Assistant General Manager/Finance

Attachment: Professional Service Agreement