

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MAY 11, 2020

ITEM NO: 6

SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH AESI, INC. FOR RFP 1966 FOR CYBER SECURITY IN THE AMOUNT OF \$270,960 FOR A TERM OF THREE YEARS

ISSUE:

Approve a Professional Consultant Services Agreement for RFP 1966 with AESI, Inc., for cyber security consulting services for a three-year term in the amount of \$270,960, to include items such as a cyber program assessment, cyber posture assessment, vulnerability assessment services, penetration testing services, remediation services, incident response services, training services, mentoring services, and exercise services.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Approve a Professional Consultant Services Agreement with AESI, Inc. for RFP 1966 for cyber security consulting services as set forth in Exhibit A of the agreement, in an amount not-to-exceed \$270,960 for a three-year term.
2. Authorize the City Manager, or designee, to execute the agreements, including making minor non-substantive changes, and to sign all documents and instruments necessary to complete the transactions.

BACKGROUND:

The ability to provide and support comprehensive cyber security protection across Riverside Public Utilities (RPU) is essential for maintaining a secure and robust cyber environment. The rapid and ever-changing threat landscape in the utility sector can only be mitigated if RPU utilizes every resource available in order to keep its Operational Technology systems and environments at a maximum protection level.

In 2019, based on discussions and needs between the City of Riverside Innovation and Technology (IT) Department and Riverside Public Utilities, Cyber Security Professional Consulting Services Request for Proposal (RFP) 1966 was developed. RFP 1966 sought a qualified vendor to perform a comprehensive review of RPU's Operational Technology network architecture, security controls, policies, facilities, and systems to identify gaps in and mitigation solutions for Critical Infrastructure Protection.

The cyber security services requested in RFP 1966 requires an approach that is both modular and capable of maintenance by City of Riverside (City) personnel. This effort is to ensure that the City maintains a strong and consistent cyber security posture. This project will include:

- Cyber Program Assessment
- Cyber Posture Assessment (including physical security)
- Vulnerability Assessment
- Penetration Testing
- Remediation Services
- Incident Response
- In-Person Training
- One-on-One Mentoring
- Budget Scope
- Exercise Services

DISCUSSION:

The scope of services will begin with an overall cyber program assessment. This work will include reviewing the network architecture, security controls, policies, facilities and organization of each identified Operational Technology system, specifically to identify gaps in any Critical Infrastructure Protection. Next, a cyber posture assessment will be conducted, which allows for the succinct evaluation of the overall utility and its ability to protect information and systems. Once these activities are complete, a mitigation plan will be developed for determining any needed mitigation solutions. This may include performing vulnerability assessment services such as system scanning, risk analysis of critical systems, code review, and remediation advisement. Other services included in the scope may or may not be assigned depending on the outcome of this program assessment.

In conjunction with ensuring a strong, resilient utility, the selected vendor will provide critical knowledge transfer to RPU employees. This knowledge transfer will be provided through in-person training and cyber security tabletop exercises. In turn, this will allow IT and RPU to work together to create a proactive cybersecurity posture within the utility to better guard against, respond to and/or recover from future cyber threats.

Procurement Process

On September 30, 2019, City staff issued RFP 1966 for Cyber Security Professional Consulting Services. Proposers were requested to submit proposals for a complete solution only. Seven (7) vendors submitted proposals on November 20, 2019.

The evaluation panel evaluated the proposals on the following selection criteria:

- A. Qualifications (35%)
- B. Pricing (20%)
- C. Experience (Projects of similar size and scope) (25%)
- D. Approach and Methodology (10%)
- E. Professional References (10%)

The evaluation results are shown in the table below:

Vendor	Evaluation Result Ranking
AESI, Inc	1
Archer Energy	2
Securicon, LLC	3
XTRLS	4
SecuredIT	5
Tec-Refresh	6
MGT	7

The proposals receiving the highest-ranked scores, AESI, Inc. (AESI), Archer Energy (Archer), Securicon, LLC (Securicon), and XTRLS, were invited to attend mandatory oral presentations and interviews.

After the evaluation of the proposals and the results of the interviews and presentations, the evaluation panel selected AESI as the preferred vendor for the cyber security professional services. The term of the Professional Consultant Services Agreement will be for three years with a cumulative compensation not to exceed \$270,960.

AESI-US, Inc.

AESI's offers a full spectrum of cyber security services ranging from training, risk assessments, governance, cyber program development, vulnerability assessments, technology integration, and technology implementation and remediation. AESI has completed more than 250 cybersecurity-related projects on utility corporate systems and networks, Supervisory Control and Data Acquisition (SCADA) systems, Advanced Metering Infrastructure (AMI), Distributed Control Systems, and Distributed Energy Resources for over 200 electric and water utilities across North America. They have in depth knowledge of both Information Technology and Operational Technology systems and environments.

Additionally, AESI has worked extensively over the years with Hometown Connections (a non-profit utility services organization), the American Public Power Association (APPA), Joint Action Agencies (JAAs) and Joint Powers Authorities (JPAs). AESI fully understands the size and range of requirements of public power and water utilities and has developed capabilities and packages to meet the requirements of small, mid-sized and large utilities, and JAAs/JPs.

The Purchasing Manager concurs that the recommended actions comply with the City of Riverside's Purchasing Resolution No. 23256.

FISCAL IMPACT:

The total fiscal impact associated with this Professional Consultant Services Agreement is \$270,960. The initial fiscal impact for Fiscal Year 2020-2021 is \$130,120. Subsequent fiscal years are forecasted to be \$99,700 in Fiscal Year 2021-2022 and \$41,140 in Fiscal Year 2022-2023.

Sufficient funds are proposed in the Fiscal Year 2020/2021–2021/2022 budgets in the Legislative & Regulatory Risk Account No. 6025000-421000, Electric Operations Account No. 6100000-421000, Clearwater Generating Plant Account No. 6120140-421000, and Water Production & Operations Account No. 6200000-421000. , pending approval by the City Council in June 2020. Project cost share is 25% for each account. Future fiscal years will be included as part of the subsequent budget process.

Prepared by: Daniel E. Garcia, Utilities Deputy General Manager
Approved by: Todd M. Corbin, Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
of funds: Brian Seinturier, Utilities Fiscal Manager

Attachments:

1. RFP Award Recommendation
2. Professional Consultant Services Agreement with AESI, Inc.
3. Presentation