

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.14
(ID # 24445)

MEETING DATE:
Tuesday, March 19, 2024

FROM : RIVERSIDE COUNTY INFORMATION TECHNOLOGY:

SUBJECT: RIVERSIDE COUNTY INFORMATION TECHNOLOGY: Approve the Purchase of Palo Alto Firewalls, including hardware, software, and support services, to continue to safeguard the County network; to be financed through the County line of credit with JPMorgan Chase & Co. for five (5) Years, All Districts. [Total Cost: \$4,338,671; RCIT Budget-100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Purchase of Palo Alto Firewalls, including hardware, software, and support services, for a total amount of \$4,338,671 to be financed through the County line of credit with JPMorgan Chase & Co. for five (5) Years; and
2. Authorize the Purchasing Agent to issue purchase orders and process finance documents with JPMorgan Chase & Co.

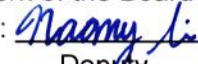
ACTION:Policy


Jim Smith, Chief Information Officer 3/6/2024

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Gutierrez and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington and Gutierrez
Nays: None
Absent: Perez
Date: March 19, 2024
xc: RCIT

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 867,734	\$ 4,338,671	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: RCIT Budget-100%			Budget Adjustment: No	
			For Fiscal Year: 23/24 – 28/29	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The request before the Board is to approve the purchase to replace the County's current firewalls to support higher network bandwidths that RCIT is upgrading to, including hardware, software, and support services, which are necessary to safeguard the County network. This purchase will be financed for five (5) years through the County's line of credit with the JPMorgan Chase & Co. for a total aggregate cost of \$4,338,671.

Palo Alto Firewall hardware offers comprehensive security measures that effectively safeguard all forms of network traffic, including encrypted data, thereby ensuring robust networking, threat prevention, and management capabilities. This strategic investment in advanced cybersecurity infrastructure will significantly enhance the County's network resilience and integrity while also improving its performance and stability. Specifically, the purchase will provide state-of-the-art intrusion detection with built-in prevention capabilities, thereby fortifying the county's network against a wide array of cyber threats such as malware, ransomware, and phishing attacks. This equipment will further enhance information security by providing the ability to create and enforce policies that regulate access to specific resources, applications, and services. By ensuring that only authorized access is permitted, the firewall helps prevent data breaches and network abuse. Additionally, by continuously analyzing network traffic patterns and detecting anomalous behavior, the firewall can effectively and efficiently respond to potential security incidents, thereby minimizing the risk of data breaches and system compromises.

The Board is also considering approval under separate cover of the RCIT request for the purchase and implementation of Ciena's Multiprotocol Label Switching (MPLS) Transport Network Products to replace the County's previous technology. This Palo Alto Firewall purchase is a critical component for the implementation of the RCIT project to replace the County's aging technology that supports data capacity within County fiber networks. By investing in this Palo Alto Firewall and the MPLS purchases, Riverside County will benefit from unparalleled security capabilities that safeguard sensitive data, preserve network integrity, and ensure uninterrupted service delivery to County constituents. Moreover, by proactively addressing evolving cybersecurity threats, Riverside County can instill greater confidence among stakeholders and uphold its commitment to safeguarding critical infrastructure and public services.

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Impact on Residents and Businesses

There is no negative impact on residents and businesses.

Additional Fiscal Information

RCIT requests to utilize the County's line of credit with JPMorgan Chase & Co. to finance the purchase, with the first installment due in FY24/25 and the final installment due in FY28/29, providing the most optimal financing terms and interest rate for the County. RCIT has the funding in its budget and the project payment installments are being included in future proposed budgets for subsequent years. RCIT will receive the equipment during FY23/24, however, has been informed that the first payment installment will be deferred to FY24/25.

The total price of the Palo Alto Firewall hardware, software, and support services is \$3,926,430.01, with annual payments anticipated to average approximately \$867,734. Based on the current indicative five-year interest rate of approximately 4% (as of 3/11/24), the total interest expense over the five years is estimated to be approximately \$412,000. Rates are subject to change before the receipt of equipment, however, once the purchase is finalized, the interest rate at that time will be locked in, and the lease amortization schedule will be provided to RCIT. The table below summarizes the estimated amortization schedule:

Item	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	Total
Palo Alto Firewalls	\$0.00	\$867,734.24	\$867,734.24	\$867,734.24	\$867,734.24	\$867,734.24	\$4,338,671.20

Contract History and Price Reasonableness

Purchasing and Fleet Services, on behalf of Riverside Information Technology (RCIT), released a Request for Quote (RFQ #ITARC-524) for Palo Alto Firewalls Hardware, Software, and Support Services on December 21, 2023. Upon bid closing on January 17, 2024, the County received four (4) responses with prices ranging from \$3,926,430.00 to \$5,399,726.00. The responses were evaluated based on the bidders' qualification of being a certified Palo Alto authorized Partner, meeting all of the technical requirements, and providing the lowest cost to the County. After a thorough review by the County team, Presidio Networked Solutions Group, LLC ("Presidio") was deemed to be the lowest, most responsive, and responsible bidder and recommended for award.

ATTACHMENTS:

None

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STATE OF CALIFORNIA

Meghan Hahn
Meghan Hahn, Director of Procurement 3/7/2024

Alonzo Barrera
Alonzo Barrera, Principal Management Analyst 3/11/2024

Aaron Gettis
Aaron Gettis 3/8/2024