



TO: Board of Contracts and Awards
FROM: Jack Kelanic, Director, Information Technology Department JK
Ron Jimerson, IT Manager, Information Technology Department
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Cynthia Lewis, Finance/Purchasing
SUBJECT: Secure Web Gateway Cooperative Bid NASPO Master Contract Number: AR2472;
Washington Master Contract Number: 05116 – Zscaler Cloud Security Contract Proposal
– August 29, 2017
DATE: August 15, 2017

SUMMARY:

The Information Technology Department recommends approval for a contract to be awarded to Carahsoft Technology Corporation, Reston, VA, in the amount of \$288,053.29, plus applicable taxes, for Zscaler Secure Web Gateway filtering services, for an initial contract term of three years.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This contract ensures the City of Tacoma takes necessary measures to protect its data and information resources in order to provide resilient government services for the residents and businesses of Tacoma.

BACKGROUND:

A Secure Web Gateway (SWG) prevents unsecured internet traffic from entering the City’s enterprise network. It prevents employees/users from being exposed to malicious websites, viruses, malware, and other harmful web traffic. It is also used to enforce the City’s policy and compliance regarding web activity. The City has leveraged Symantec SWG technology since 2012.

ISSUE: The Symantec SWG will no longer be supported by the vendor effective March 1, 2018. Without this level of web protection, the City would be unable to receive and manage threat intelligence sources to protect inbound/outbound internet traffic and unable to block web traffic identified as a security risk.

Without adequate internet security, cost of business interruptions could exceed \$840,000 over a three-year period. This figure could increase substantially should additional fines and penalties be applied to any related data breach as a result of not having this protection in place.

ALTERNATIVES:

Newer versions of the current on premise Symantec SWG were evaluated and found adequate to meet the City’s needs for web protection, including capabilities for advanced threat protection.

However, investing in a cloud-based SWG solution – Zscaler – would reduce replacement costs by over \$35,000. Additionally, Zscaler relies less on existing network resources, and adds the capability to protect mobile users outside the City’s network.



COMPETITIVE SOLICITATION:

Cooperative NASPO Master Contract Number: AR2472; Washington State Master Contract Number: 05116 was opened December 31, 2015 by the State of Utah. No companies were directly invited to the RFP. The RFP was advertised on both the NASPO website and State of Utah procurement website. 52 submittals were received. 32 vendors were selected to participate in the NASPO Contract. However only one company is a participating member of the Washington State Contract for Cloud Solutions and that is Carahsoft Technology Corporation

CONTRACT HISTORY: The NASPO ValuePoint Cloud Solutions contract was originally awarded to 32 different vendors with 56 participating addendums. The Washington State Addendum, Master Contract Number: 05116 was awarded on July 14, 2017 to Carahsoft Technology Corporation for Cloud Solutions, including Zscaler Secure Web Gateway. The current term ends on September 15, 2026. This will be a new contract for the City of Tacoma.

SUSTAINABILITY: Not Applicable

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Information Technology Department recommends approval for a contract to be awarded to Carahsoft Technology Corporation, Reston, VA, in the amount of \$288,053.29, plus applicable taxes, for Zscaler Secure Web Gateway filtering services, for an initial contract term of three years.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5800 Information Systems	593300 / IO 80008765	5412170	\$288,053.29
TOTAL			

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5800 Information Systems	593300	5412170	\$288,053.29
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Funds in the amount of \$130,043.87 are budgeted in the 2017/2018 Information Technology budget, which covers the first 16 months of service. The remaining contract balance of \$158,009.40 will need to be budgeted in the 2019/2020 biennium.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes