



Board Report

File #: A 17-128, Version: 1

- a. Authorize the Director of the Information Technology Department to execute an Agreement with CDW-Government LLC (CDW-G), a designated re-seller of Splunk, Inc. data security services, used for computer security data analysis, incorporating the terms of CDW-G's existing National Association of State Procurement Officials (NASPO) Master Price Agreement and the corresponding State of California Participating Addendum No. 7-16-70-37, to continue existing Splunk data services and to purchase an additional 20 Gigabytes of Splunk daily data analysis, for the period May 16, 2017 through April 7, 2018, for a total contract amount of \$44,824;
- b. Authorize the Director of the Information Technology Department to execute order forms implementing this agreement with CDW-G for purchase of Splunk Inc. data security services, as needed;
- c. Accept non-standard contract provisions as recommended by the Director of Information Technology; and
- d. Authorize the Director of Information Technology to sign one (1) additional future order form with CDW-G providing for Splunk data security services for one (1) additional year, subject to prior County Counsel review and provided it does not change non-standard terms approved by the Board and provided any increase does not exceed ten percent (10%) (\$4,482) of the original contract amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Director of the Information Technology Department to execute an Agreement with CDW-Government LLC (CDW-G), a designated re-seller of Splunk, Inc. data security services, used for computer security data analysis, incorporating the terms of CDW-G's existing National Association of State Procurement Officials (NASPO) Master Price Agreement and the corresponding State of California Participating Addendum No. 7-16-70-37, to continue existing Splunk data services and to purchase an additional 20 Gigabytes of Splunk daily data analysis, for the period May 16, 2017 through April 7, 2018, for a total contract amount of \$44,824;
- b. Authorize the Director of the Information Technology Department to execute order forms implementing this agreement with CDW-G for purchase of Splunk Inc. data security services, as needed;
- c. Accept non-standard contract provisions as recommended by the Director of Information Technology; and
- d. Authorize the Director of Information Technology to sign one (1) additional future order form with CDW-G providing for Splunk data security services for one (1) additional year, subject to prior County Counsel review and provided it does not change non-standard terms approved by the Board and provided any increase does not exceed ten percent (10%) (\$4,482) of the original contract amount.

SUMMARY/DISCUSSION:

The Board of Supervisors previously approved a non-standard agreement with Splunk, Inc., for the provisions of 30 Gigabytes (GB) of data security analysis, software maintenance and support services used for computer security data analysis. Due to a need to increase the capacity for daily data security analysis, it is necessary to add an additional 20GB of daily analysis to the Splunk, Inc. services as well as maintenance and support for the additional analysis. Splunk services are critical to protecting the security of the County's data and network.

Splunk has recently changed its business model and no longer enters into agreements directly with customers. Splunk now utilizes re-sellers such as CDW Government LLC (CDW-G) to sell software, services and support. CDW-G has entered into a master price agreement for the sale of Splunk data security services and support with the State of Arizona; CDW-G was competitively selected for this master price agreement by the National

Association of State Procurement Officers (NASPO). The State of California has entered into a Participating Addendum with CDW-G, thereby enabling California counties to use the CDW-G NASPO master price agreement to purchase goods and services at significantly discounted prices. Here, use of the CDW-G NASPO master price agreement and State of California Participating Addendum as the operative contract between the County and CDW-G enables the County to procure the Splunk services at a savings of approximately twenty-five percent.

The CDW-G NASPO master price agreement contains terms that are non-standard to Monterey County contracting practices but which are standard in the technology industry. In addition to advantageous pricing, the CDW-G NASPO contains terms that in many instances are more protective of County interests than is usually the case in information technology agreements. Accordingly, the Director of the Information Technology Department recommends that the Board approve use of the non-standard terms of the CDW-G NASPO master price agreement and the State of California Participating Addendum as the operative County contract for purchase of Splunk data security services.

It is requested that the Director of Information Technology receive approval from the Board of Supervisors to execute a CDW-G order form for continuance of existing Splunk services, and for purchase of the additional Splunk license and services for the period of May 16, 2017 through April 7, 2018 in a total amount not to exceed \$44,824.00. Authority to execute one additional order form, to continue Splunk data security services for an additional year at an increase of no more than 10% in cost, is requested, subject to County Counsel prior review and provided that the non-standard terms authorized by the Board do not change significantly.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the terms of the CDW-G NASPO master price agreement and the State of California Participating Addendum and cannot approve the following non-standard terms: non-standard indemnification and insurance provisions; limitations on warranty obligations; limitations on the amount and type of damages available to the County; charges for overdue payments; non-standard venue; non-standard termination provisions; and mandatory arbitration. Risk does not approve non-standard indemnification and insurance provisions.

FINANCING:

The funds for this service in the amount of \$44,824 have been included in the FY16-17 Adopted Budget for the Information Technology Department, ITD 1930, Unit 8437, Appropriations Unit INF002. Transactions relating to future fiscal years will be included in each respective Recommended Budget based upon the anticipated utilization of the services.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This supports each of the Board of Supervisor Strategic Initiatives in that it supports the IT Department's cyber threat hunting activities. These activities assist County business with assuring the availability of its information assets, actively monitoring those assets for compromise, and leading the effective business recovery of information assets that have been compromised.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development
X Administration
X Health & Human Services
X Infrastructure

X Public Safety

Prepared by: Lynnette Beardsall, Management Analyst II, 759-6938

Approved by:

Date: _____
Eric A. Chatham, Director of Information Technology, 759-6920

Attachments: CDW - G Order Form; State of California Participant Addenda to NASPO/CDW - G Agreement;
NASPO/CDW - G Agreement

Attachments on file with Clerk of the Board