



County of Monterey

Item No.32

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 25-405

October 14, 2025

Introduced: 10/2/2025

Current Status: General Government -
Consent

Version: 1

Matter Type: BoS Agreement

- a. Authorize the Chief Information Officer to execute retroactively a non-standard Agreement with Insight Investments LLC for financing of Palo Alto Networks software licensing and hardware, and related equipment, maintenance recurring yearly charges in an amount not to exceed \$1,692,896 for the term of October 1, 2025 through October 31, 2029; and
- b. Authorize the Chief Information Officer, or his designee, to execute order forms and such documents on an as-needed basis necessary to implement the non-standard Agreement with Insight Investments LLC; and
- c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
- d. Authorize the Chief Information Officer or his designee the option to extend the agreement up to two (2) additional one (1) year periods through October 31, 2031 and sign associated Order Forms, provided that the total additional total costs do not exceed ten percent of the prior year's cost, with a maximum total increase of \$782,118 for a total agreement not to exceed amount of \$2,475,104 and as long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Chief Information Officer to execute retroactively a non-standard Agreement with Insight Investments LLC for financing of Palo Alto Network software licensing and hardware, and related equipment, maintenance recurring yearly charges in an amount not to exceed \$1,692,896 for the term of October 1, 2025 through October 31, 2029; and
- b. Authorize the Chief Information Officer, or his designee, to execute order forms and such documents on an as-needed basis necessary to implement the non-standard Agreement with Insight Investments LLC; and
- c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
- d. Authorize the Chief Information Officer or his designee the option to extend the agreement up to two (2) additional one (1) year periods through October 31, 2031 and sign associated Order Forms, provided that the total additional total costs do not exceed ten percent of the prior year's cost, with a maximum total increase of \$782,118 for a total agreement not to exceed amount of \$2,475,104 and as long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

SUMMARY:

The Information Technology Department (ITD) is seeking approval for the financing of the standardized County network firewall that has state-of-the-art security products made by Palo Alto

Networks, Inc. (Palo Alto Networks). Insight Investments LLC is the financial service that works with Digital Scepter Corporation (Digital Scepter) an existing County data security vendor currently in place with ITD. The proposed agreement will facilitate the financing for the continued procurement of security equipment, maintenance charges, and a wide range of security services offered through Digital Scepter.

DISCUSSION:

Insight Investments LLC is an authorized financial partner of Digital Scepter which specializes in Palo Alto Networks software security systems and is highly recommended by the manufacturer to assist in product maintenance and support. ITD was approved for sole source procurement with Insight Investments October 2025.

The proposed non-standard agreement provides for financing of procured Palo Alto licensing and hardware, maintenance of Palo Alto Networks software and related equipment, Palo Alto Network updates and upgrades in addition to Palo Alto related products and services such as Falco Audits, security related products such as Plixir.

The Chief Information Officer recommends approval of non-standard provisions through Insight Investments LLC financing for Digital Scepter purchasing of Palo Alto Networks security systems and maintenance recurring yearly charges. The continued supportability, intimate knowledge and understanding of the County's data network security that Digital Scepter has acquired are essential to protect County data.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

Contracts & Procurement approved the proposed agreement with Insight Investments LLC as a sole source agreement. County Counsel has reviewed the agreement and approves as to form. Auditor-Controller's Office reviewed the agreement but does not agree to the non-standard payment provisions. Clerk of the Board note that there is an original agreement number of A-16082 from the Board Order for Digital Scepter.

FINANCING:

The funds for payment of the cost of this Agreement have been included in the Fiscal Year 2025-2026 Approved Budget for the Information Technology Department, ITD 1930, Appropriations Unit INF002. All future year costs will be included in the Requested Budget for each respective fiscal year.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

The products and services provided pursuant to this agreement will enable ITD to provide the County with a robust, secure, and user-friendly data network, and will continue to protect individual County department data over a wide area network.

- ☐ Well-Being and Quality of Life
- ☒ Sustainable Infrastructure for the Present and Future
- ☐ Safe and Resilient Communities

- _____ Diverse and Thriving Economy
- _____ Dynamic Organization and Employer of Choice

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by: Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:

Master Lease Agreement
Digital Scepter Quote 9011
Insight Essential Use Form
Sole Source