

Mayor and Council Communication

DATE: 08/22/23

M&C FILE NUMBER: M&C 23-0671

LOG NAME: 04SHI GOV CROWDSTRIKE ENDPOINT PROTECTION SOFTWARE

SUBJECT

(ALL) Authorize an Increase to City Secretary Contract No. 56904 with SHI Government Solutions, Inc. in the Amount of \$10,009.28 Annually for a Total Annual Contract Amount of \$173,360.00 and Ratify Expenditures in the Amount of \$173,360.00 for CrowdStrike Endpoint Protection Software Services Using a Cooperative Agreement for the Information Technology Solutions Department

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize an increase to City Secretary Contract 56904 with SHI Government Solutions, Inc. in the amount of \$10,009.28 for a total annual contract amount of \$173,360.00 for the Information Technology Solutions Department; and
2. Ratify expenditures in the amount of \$173,360.00 with SHI Government Solutions, Inc. for CrowdStrike Endpoint Protection Software.

DISCUSSION:

On May 1, 2018, the City Council, by and through Mayor and Council Communication (M&C) P-12192, authorized a purchase agreement with SHI Government Solutions, Inc. for CrowdStrike Anti-Virus and Anti-Malware Software, licenses fees and maintenance support using a cooperative agreement in an annual amount up to \$149,852.00, with four (4) renewal options for the Information Technology Solutions Department.

On December 29, 2021, the City executed City Secretary Contract (CSC) 56904, for a term beginning January 17, 2022 and ending January 17, 2023, to memorialize the purchase agreement in the form of a written City Secretary Contract using Texas Department of Information Resources (DIR) cooperative contract DIR-TSO-4056. Though the contract was executed in 2021, it reflected the third year of service of the five total years authorized by M&C P-12192.

On March 28, 2023, the City executed CSC 56904 Amendment No. 1 to reflect a change in the underlying cooperative contract to DIR-TSO-4317. However, CSC 56904 Amendment No. 1 mistakenly referenced the incorrect renewal terms.

On May 5, 2023, staff realized that the City reached the maximum renewals authorized by City Council pursuant to M&C P-12192. CSC 56904 Amendment No. 2 amended the contract renewal term to begin April 27, 2023 and expire April 26, 2024 in accordance with DIR-TSO-4317.

This M&C is to request City Council authorization to extend CSC 56904 in accordance with DIR-TSO-4317 through April 26, 2024, with two (2) additional one-year renewal terms through April 26, 2026. The 2023 annual renewal amount for CrowdStrike software is \$173,360.00; it is anticipated that the annual renewal cost will increase by three (3) percent each year through 2026.

To avoid a lapse in cybersecurity endpoint protection, threat intelligence, and response services for CrowdStrike, IT Solutions Department created purchase order FW004-7247 in the amount of \$173,360.00 on May 19, 2023. This M&C also requests that the City Council ratify expenditures in the amount of \$173,360.00 that was spent to avoid a lapse in cybersecurity endpoint protection.

Prior to expiration of DIR-TSO-4317, the IT Solutions Department will return to City Council for additional authorization of cybersecurity software which is vital to safeguard City electronic communication software, services, and equipment to protect the health, safety, and welfare of City residents.

COOPERATIVE PURCHASE: State law provides that a local government purchasing an item under a cooperative purchase agreement satisfies State laws requiring that the local government seek competitive bids for purchase of the item. Cooperative contracts have been competitively bid to increase and simplify the purchasing power of local government entities across the State of Texas.

BUSINESS EQUITY: A goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

AGREEMENT TERM: Upon City Council's approval, CSC 56904 will expire April 26, 2024 in accordance with DIR-TSO-4317, with two additional one-year renewal terms.

RENEWAL OPTIONS: The agreement may be renewed for up to two (2) one-year renewal options, in accordance with DIR-TSO-4317, at the City's option. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

Funding is budgeted in the Other Contractual Services account of the Information Technology Solutions Department's Info Technology Systems

Fund.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, funds are available in the current operating budget, as previously appropriated, and upon adoption of the Fiscal Year 2024 Budget by the City Council, funds will be available in the Fiscal Year 2024 operating budget, as appropriated, in the Info Technology Systems Fund. Prior to an expenditure being incurred, the Information Technology Solutions Department has the responsibility to validate the availability of funds.

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