Environment Committee

For the Metropolitan Council meeting of September 22, 2021

Subject: Industrial Control System (ICS) Host Server Hardware, Contract 21P107

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to award and execute Contract 21P107 with Paragon Development Systems, Inc. and Marco, Inc., to provide the Council with equipment from Cisco and Hewlett Packard host server hardware for the Industrial Control Systems (ICS) in an amount not to exceed a total of $523,092.

Summary of Committee Discussion/Questions

No comments or questions.

The proposed action was approved and forwarded to the September 22, 2021 Council meeting for approval.

METROPOLITAN
C O U N C I L

Environment Committee

Meeting date: September 14, 2021

For the Metropolitan Council meeting of September 22, 2021

Subject: Industrial Control System (ICS) Host Server Hardware, Contract 21P107

District(s), Member(s): All

Policy/Legal Reference: Council Expenditure Policy 3-3, Procurement of Goods and Services

Staff Prepared/Presented: Sara Smith, 651-602-8365; Lon Coffey, 651-602-8286

Division/Department: MCES c/o Leisa Thompson, 651-602-8101

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to award and execute Contract 21P107 with Paragon Development Systems, Inc. and Marco, Inc., to provide the Council with equipment from Cisco and Hewlett Packard host server hardware for the Industrial Control Systems (ICS) in an amount not to exceed a total of $523,092.

Background

Since 2012, MCES has conducted a U.S. Department of Homeland Security Cyber Evaluation (CSET) four times. All evaluations confirm the importance of properly maintaining, updating, managing, and configuring Operational Technology hardware and software for the Industrial Control System (ICS) for the nine MCES wastewater treatment plants and the Supervisory Control and Data Acquisition (SCADA) Interceptor Services system.

In 2014 the Met Council authorized the installation of host server virtualization at the five largest wastewater facilities. This was done to improve the reliability of plant operations and required permit data collection while reducing maintenance costs and the MCES carbon footprint. The equipment is currently operating at Metro, Seneca, Blue Lake, Empire, and the Regional Maintenance Facility and is approaching the end-of-life phase in 2021. The hardware must be replaced to maintain the required ICS/SCADA cyber security as defined by the CSETs and Metropolitan Council adopted NIST 800-82R2 OT security standard.

An Invitation for Bids was issued to the State of Minnesota T-653(5) contract holders on July 8, 2021. There were twenty-four contract holders for Cisco equipment and seven contract holders for Hewlett Packard equipment and three contract holders identified as woman, minority, veteran or disadvantaged business enterprises.

Rationale

The 6 written bids received on July 21, 2021 for Cisco ranged from $82,949 to $109,802. The 1 written bid received for Hewlett Packard was for $440,143. Paragon Development Systems, Inc. (Hewlett Packard, $440,143), and Marco, Inc. (Cisco, $82,949), were the low, responsive, responsible bidders for each category of equipment and are recommended for award.

The Office of Equal Opportunity (OEO) reviewed the project for sub-contracting opportunities and concluded that this was a procurement of goods, therefore did not establish a Metropolitan Council Underutilized Business (MCUB) goal.

Thrive Lens Analysis

This action supports the Thrive outcome of Environmental stewardship as this work supports efforts to maintain the cyber security of the region's wastewater treatment plants and Interceptor

system as an integral part of the ICS/SCADA systems.

Funding
All Hewlett Packard and Cisco hardware will be delivered in 2021 and 2022. MCES will pay the appropriate amounts based on the delivery of the equipment dates (2021 or 2022 budget years). This is advantageous to the annual MCES budget when large purchases are required. The project funding is authorized and available within ES Operational budget.

Known Support / Opposition
There is no known opposition.