

# Kenai Peninsula Borough

## Purchasing and Contracting Department

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### MEMORANDUM

**TO:** Mike Navarre, Borough Mayor

**THRU:** John Hedges, Purchasing & Contracting Director *JH*

**FROM:** Ben Hanson, IT Director *BH*

**DATE:** October 13, 2022

**RE:** KPB Cyber Security Operations Center Contract, Under NASPO  
Contract #NVP-2018-CLOUD-0002

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In FY23, KPB IT Budgeted a new full-time position to improve KPB cyber security posture. Between December of 2021 and July of 2022, KPB IT learned of market offerings which would provide 24/7 cyber security monitoring as well as other cyber related professional services, with significant savings as compared to the budgeted position.

The market for these services is still maturing, with little standardization between different vendors. KPB IT recommends contracting with Arctic Wolf for their Managed Detection and Response (MDR) and Managed Risk services. KPB IT has surveyed the market, and Arctic Wolf's offering is a good fit for KPB's current and near term needs. Contracting for 24/7 coverage will save KPB approximately \$35,000/year as compared to a full-time cyber security position.

Central Peninsula Hospital (CPH) is currently using Arctic Wolf for this same service and has been satisfied with the MDR functionality. MDR is the core security service that would provide 24/7 monitoring for the KPB network, along with the ability to lock down KPB's network in the event of a breach or other cyber event.

In addition to this "nuts and bolts" MDR service, Arctic Wolf offers a "Managed Risk" service which addresses some of the broader professional services related to cyber security. This includes elements of security assessment, and the availability of certified cyber security experts (CISSP) who can consult with KPB on policy and practice decisions.

This contract will improve many elements of KPB cyber security posture identified in our 2021 assessment. We also recognize that KPB should consider the cyber security posture of those organizations that we fund but are operated through operating agreements. Establishing a common cyber security vendor could lay the groundwork for a wholistic cyber security framework for KPB Departments, Service Areas and Partner Agencies.

The Arctic Wolf solution will be quoted under NASPO Contract# NVP-2018-CLOUD-0002.

Your approval to enter into this purchase agreement is hereby requested. Funding for this project is in account number 100.11231.00000.43011.

*Mike Navarre*

10/17/2022

Mike Navarre, Borough Mayor

Date

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct:	<u>100.11231.00000.43011</u>
Amount:	<u>\$110,256.81</u>
By:	<u><i>CJ BH</i></u> Date: <u>10/14/2022</u>
NOTES:	NA

Quote # 202202-85927\_R1\_Kenai Peninsula Borough\_Arctic Wolf MDR + MR.

Quote Expires 30 Days From:  
8/25/2022

Company Name: Kenai Peninsula Borough

Contact: Ben Hanson

Email: [benhanson@kpb.us](mailto:benhanson@kpb.us)

Phone: (907) 714-2112

Account Executive: Leaves Garnett

4141 'B' Street, Suite 307 - Anchorage, AK 99503 - 907.222.6140

Toll Free 800.881.0962 - Order Fax 888.729.0997



Line Item	Part Number	Description	Qty.	Unit Sale Price	Ext. Sale Price
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**Arctic Wolf MDR + MR Solution for Kenai Peninsula Borough**

\*Priced According to Contract Number: NVP-2018-CLOUD-0002  
 NASPO Master Contract Number: AR2472

\*Annual Commitment Billed Upfront  
 Subscription Term: 10/31/2022 - 10/30/2023

**Recurring Costs:**

1		Arctic Wolf (Qty 405) Managed Detection Response User, (Qty 135) Server, (Qty 540) Log Retention, (Qty 2) 200-Series Sensor, (Qty 15) G-Suite User, (Qty 540) Platform Access, (Qty 1) Platform Base, (Qty 405) Managed Risk User & (Qty 135) Managed Risk Server			\$103,080.26
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**One-Time Costs:**

2		Arctic Wolf Onboarding for MDR/MR & Sensor Shipping			\$7,176.55
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**GRAND TOTAL:**

**\$110,256.81**

Line Item	Part Number	Description	Qty.	Unit Sale Price	Ext. Sale Price
<b>Solution Line Item Detail:</b>					
<b>Recurring:</b>					
<b><u>Arctic Wolf (Qty 405) Managed Detection Response User, (Qty 135) Server, (Qty 540) Log Retention, (Qty 2) 200-Series Sensor, (Qty 15) G-Suite User, (Qty 540) Platform Access, (Qty 1) Platform Base, (Qty 405) Managed Risk User &amp; (Qty 135) Managed Risk Server</u></b>					
<b>Subscription Term: 10/31/2022 - 10/30/2023</b>					
3	AW-MDR-USER	Arctic Wolf MDR user license 125-3000 Arctic Wolf Networks, Inc. - AW-MDR-USER	405	\$109.87	\$44,497.35
4	AW-MDR-SE	Arctic Wolf MDR server license Arctic Wolf Networks, Inc. - AW-MDR-SE	135	\$109.82	\$14,825.70
5	AW-MDR-1YR	Arctic Wolf MDR Log Retention - 1 year Arctic Wolf Networks, Inc. - AW-MDR-1YR	540	\$7.90	\$4,266.00
6	AW-MDR-2XX-S	Arctic Wolf 200 Series Sensor Arctic Wolf Networks, Inc. - AW-MDR-2XX-S	2	\$1,647.30	\$3,294.60
7	AW-MDR-GSU	Arctic Wolf MDR G-Suite user license Arctic Wolf Networks, Inc. - AW-MDR-GSU	15	\$12.37	\$185.55
8	AW-PLATFORM	Arctic Wolf Platform Access Arctic Wolf Networks, Inc. - AW-PLATFORM	540	\$8.23	\$4,444.20
9	AW-PLATFORM-BASE	Arctic Wolf Base Platform Arctic Wolf Networks, Inc. - AW-PLATFORMBASE	1	\$1,915.46	\$1,915.46
10	AW-MR-USER	Arctic Wolf Managed Risk user license 125-3000 Arctic Wolf Networks, Inc. - AW-MR-USER	405	\$54.91	\$22,238.55
11	AW-MR-SE	Arctic Wolf Managed Risk server license Arctic Wolf Networks, Inc. - AW-MR-SE	135	\$54.91	\$7,412.85
<b><u>SUBTOTAL</u></b>					<b><u>\$103,080.26</u></b>

Line Item	Part Number	Description	Qty.	Unit Sale Price	Ext. Sale Price
<b>One-Time:</b>					
<b><u>Arctic Wolf Onboarding for MDR/MR &amp; Sensor Shipping</u></b>					
12	AW-MDR-OB	Arctic Wolf MDR Onboarding Arctic Wolf Networks, Inc. - AW-MDR-OB	1	\$5,028.84	\$5,028.84
13	AW-SHP	Arctic Wolf Sensor/Scanner Shipping Arctic Wolf Networks, Inc. - AW-SHP	2	\$117.60	\$235.20
14	AW-MR-OB	Arctic Wolf Managed Risk Onboarding Arctic Wolf Networks, Inc. - AW-MR-OB	1	\$1,912.51	\$1,912.51
<b><u>SUBTOTAL</u></b>					<b><u>\$7,176.55</u></b>
<u>Prepared by: Michael Fowler</u>					
Please contact the person listed above at Structured for any questions regarding this quotation.					

Line Item	Part Number	Description	Qty.	Unit Sale Price	Ext. Sale Price
<b>Notes:</b>					
1. Client acknowledges and agrees that the by signing this quotation, issuing a purchase order referencing this quotation, or otherwise accessing or utilizing the solution outlined in this quotation that the Structured Communication Systems, Inc. Standard Terms and Conditions, which can be found at <a href="http://www.structured.com/terms/">http://www.structured.com/terms/</a> , apply to this and all quotations.					
Further, the Client acknowledges and agrees that the use, title, interest, rights and warranties associated with the solution outlined in this quotation are governed by the applicable manufacturer end-user license agreement, software license agreement, subscription agreement, warranty terms and/or maintenance/support contract.					
2. Prices do not include shipping charges. All shipping charges are FOB origin and will be added at time of invoice. Prices do not include Sales Tax. Sales tax rates are an estimate and are subject to change. Rates are dictated by the state into which the solution is being shipped. Freight may be taxable, depending upon state regulations.					
Please note that pricing outlined in this quotation does not include tariffs or any other international or national tax or duty (if any) that may be levied against some or all of the products by the applicable manufacturer at the time of procurement by Structured for the benefit of the Client. As such, any such tariffs, taxes or duties are the sole responsibility of the Client and will be passed through by Structured to the Client at the time of invoicing.					
3. Full payment is due upon receipt of the invoice for subscription services. Structured will accept pre-payment or Visa/MasterCard without approved credit; please note that all credit card transaction will also incur a three percent (3%) transaction fee. All quotes and proposals are calculated using US Dollars.					
4. Structured reserves the right to adjust prices at any time according to manufacturer price changes or material changes in circumstances that effect the scope of services proposed herein. In the event that the expiration date has been exceeded, please contact your Account Representative for an updated quote.					
5. <b>Remit To Address:</b> 12901 SE 97th Ave Suite 400, Clackamas OR, 97015					
<b>Subscription Services:</b>					
1. Kenai Peninsula Borough acknowledges and agrees that it is entering into a one-year commitment with Arctic Wolf that cannot be cancelled.					
<b><u>2. This service will automatically renew annually unless Written Cancellation is given 70 days prior to end of the term.</u></b>					
3. Client may increase or decrease quantities of Subscriptions by written notice to Structured or via the online portal. Billing adjustments will not go into effect until the next billing cycle. Adjustments to services via the portal at any point during the contract will result in either increased or decreased costs on the invoices.					
4. Renewal of this subscription with a service term and quantities equal to or greater than the services reflected on this quote could be subject to a maximum of 8% annual increase.					
<i>This quotation contains information that is privileged and confidential. The information contained in this quotation is intended only for use of the person to whom it is addressed. If the reader of this quotation is not (1) the intended recipient or (2) the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited</i>					

**WHEN PLACING YOUR ORDER, PLEASE FAX OR EMAIL TO: 888-729-0997 or [fax@structured.com](mailto:fax@structured.com)**

Please fill out all of the below information to ensure that your order is processed as efficiently as possible.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Shipping Address:

Street:

City, ST Zip:

Contact:

Phone:

Email:

Preferred Shipping Method: *Ground* \_\_\_\_\_ *2nd Day* \_\_\_\_\_ *Overnight* \_\_\_\_\_

Date Needed:

Customer Reference / Purchase Order Number: \_\_\_\_\_

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