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## Memorandum

To: Honorable Mayor and City Council  
From: Linda Styczen, Procurement Officer  
Date: May 1, 2017  
Subject: Recommendation for Cybersecurity Consulting Services

### Background

The City formally adopted an Information Security Policy in December 2016. In adherence with the policy, a Request for Proposal (RFP) was issued to solicit cybersecurity consulting services. The City is committed to protecting information systems and sensitive data. CzarTek, Inc., has provided the City with cybersecurity consulting services, including risk assessments, vulnerability scans, and penetration tests, since 2015. Due to the recent death of the Principal Consultant at CzarTek, the City must find another cybersecurity consulting firm for FY 2017/18.

The City's information technology network encompasses eight (8) buildings, 296 computer users, 5 physical servers, 53 virtual servers, 160 desktop computers, 80 mobile computers, and 88 mobile phones. The City operates two data centers, uses Azure and Office 365, and utilizes SaaS services (ERP and payment processing).

### Objectives

The goals for the cybersecurity consultant are to provide cost-effective services to help achieve the City's goals for:

1. Compliance: Position the City to comply with all cybersecurity laws, regulations, and standards.
2. Risk Management: Provide technical support and recommendations to effectively identify and address security threats.
3. Service: Provide consistent, responsive, and top-quality deliverables which will have the greatest impact on reducing the City's inherent risk resulting from the use of IT systems.
4. Fit: Ensure that project scope and staffing are aligned with the City's needs and resources and are delivered at competitive rates and terms.

### Scope of Services

The consulting firm must conduct risk assessments, vulnerability scans, and penetration tests, and provide advisory services for policies, training, incident response, and 3<sup>rd</sup> party services. The consultant must demonstrate and maintain expertise in applicable laws, regulations, standards, and frameworks.

### Evaluation of Proposals

Thirteen responses to the Request for Proposal were received. The criteria used to evaluate proposals included, but was not limited to:

- Cost for core services
- Qualifications and Experience
- References
- Hourly rates for additional advisory services that the City may elect to engage

Bidder	Annual Cost for Core Services (RFP Items #1-6)
Illumant, LLC	\$25,900.00
ERM Solutions LLC	\$49,950.00
DSN Group	\$53,000.00
SystemDomain, Inc.	\$57,250.00
Elert & Associates	\$61,786.00
SeNet International Corp.	\$65,000.00
MAD Security LLC	\$65,000.00
DefendEdge	\$65,100.00
Trustwave	\$81,836.00
Securance LLC	\$85,510.00
Crowe Horwath LLP	\$91,200.00
Janus Associates	\$111,044.99
OnX	\$130,500.00

The IT Director had discussions with the low bidder to ensure that the proposal included all the services that the City requires for sufficient cybersecurity risk assessment and protection. Illumant has staff consultants that are available to provide support for developing a comprehensive security program for the City.

The low bidder, Illumant, submitted an alternate offer that includes:

- A 20% discount per year for core services with a three-year agreement; \$20,720 per year x 3 years = \$62,160.
- An optional service for Social Engineering testing (includes assessment and training of City staff to guard against phishing attacks); \$4,000 per year x 3 years = \$12,000

#### Recommendation

Funding for Cybersecurity Consulting Services is included in the FY 2017/18 Information Technology General Fund. The budget for an information security consultant is \$32,000. With a three-year agreement, the annual cost for Core Services and Social Engineering testing is \$24,720, which is (\$7,280) below budget. The City is likely to need additional advisory services which can be funded with the remaining budgeted funds. Illumant is based out-of-state and included fees for travel expenses, if necessary, not to exceed \$2,500 annually in their proposal. The IT Director feels that Illumant's consulting services may be done remotely and that Illumant will not need to travel in order to service our account.

I recommend the City Council approve the attached resolution authorizing the execution of a three-year agreement with Illumant, LLC, for cybersecurity consulting services.

Agreement exhibits are on file in the City Clerk's office and available for review.

**RESOLUTION R- -17**

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH ILLUMANT, LLC, FOR CYBERSECURITY CONSULTING SERVICES**

**WHEREAS**, the City of Wheaton, DuPage County, Illinois is desirous to enter into an agreement for cybersecurity consulting services; and

**WHEREAS**, the City conducted a request for proposal process and received and reviewed thirteen submittals for cybersecurity consulting services; and

**WHEREAS**, it is determined by the City that the proposal received from Illumant, LLC, meets the City's needs; and

**WHEREAS**, it is necessary for the City to enter into an agreement with Illumant, LLC, for the purpose of providing cybersecurity consulting services.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Wheaton, Illinois that the Mayor is hereby authorized to execute and the City Clerk is hereby directed to attest to a professional service agreement between the City of Wheaton and Illumant, LLC, Palo Alto, CA, for cybersecurity consulting services.

ADOPTED this 1<sup>st</sup> day of May 2017.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Roll Call Vote:

Ayes:

Nays:

Absent:

This number must appear on  
all invoices and documents.

**No. C 36940**

**Agreement Between the City of Wheaton, Illinois  
and Illumant, LLC,  
for Professional Services**

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**CYBERSECURITY CONSULTING SERVICES**

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**This Agreement** is entered into by and between the City of Wheaton, an Illinois municipal corporation ("City"), 303 West Wesley Street, Wheaton, IL 60187, and Illumant, LLC, ("Professional Service Provider"), 431 Florence Street, Suite 210, Palo Alto, CA 94301.

**WITNESSETH:**

**Whereas**, the City has determined that it is strategic to hire a Professional Service Provider to provide cybersecurity consulting services (hereinafter the "Work") consistent with the attached Exhibit A, which is incorporated herein and is fully set forth; and

**Whereas**, the Professional Service Provider has submitted a proposal attached Exhibit B for this Work, and

**Whereas**, the City finds the proposal submitted by the Professional Service Provider meets the City's service requirements for the Work.

Now, therefore, for in consideration of their mutual promises, terms, covenants, agreements, and conditions recited in this Agreement, the City and the Professional Service Provider hereto do hereby agree as follows:

1. **Scope of Service:** The Recital paragraphs are incorporated herein as substantive terms and conditions of this Agreement and as representing the intent of the Parties. The Professional Service Provider shall furnish all labor, materials, and equipment to provide and perform the Work. The Professional Service Provider represents and warrants that it shall perform the Work in a manner consistent with the level of care and skill customarily exercised by other Professional Service Providers under similar circumstances.
2. **Compensation:** The City shall compensate the Professional Service Provider according to the terms of the Professional Service Provider's proposal which is attached hereto as Exhibit B.
3. **Term of Agreement:** This Agreement shall become effective upon the latter of the date accepted and signed by the City and the date accepted and signed by the Professional Service Provider and shall be effective for three (3) years from the effective date, unless terminated sooner in accordance with the terms of this Agreement.
4. **Time is of the Essence:** Time is of the essence in the performance of all the terms and conditions of this Agreement.
5. **Additional Services:** The Professional Service Provider shall provide only the Work specified in this Agreement and attached Exhibits. In the event the Professional Service Provider or the City determines that additional goods and/or services are required to complete the Work, such additional goods shall not be provided and/or such additional services shall not be performed unless authorized in writing by the

City. Terms, frequency, and prices for additional services shall be confirmed in writing by the City and the Professional Service Provider.

6. Integration: The provisions set forth in this Agreement represent the entire agreement between the parties and supersede all prior agreements, contracts, promises, and representations, as it is the intent of the parties to provide for a complete integration within the terms of this Agreement. This Agreement may be modified only by a further written agreement between the parties, and no modification shall be effective unless properly approved and signed by each party via change order or amendment. No course of conduct before, or during the performance of this Agreement, shall be deemed to modify, change or amend this Agreement.
7. Waiver: Any failure of either the City or the Professional Service Provider to strictly enforce any term, right, or condition of this Agreement whether implied or expressed, shall not be construed as a waiver of such term, right, or condition.
8. Compliance with Laws: The Professional Service Provider shall comply with applicable federal, state, and local laws, rules, and regulations, and City ordinances, rules and regulations now in force or hereafter enacted, in the provision of the goods and/or performance of the services required under this Agreement.
9. Freedom of Information Act: The Professional Service Provider shall, within twenty-four hours of the City's request, provide any documents in the Professional Service Provider's possession related to the Agreement which the City is required to disclose to a requester under the Illinois Freedom of Information Act. This provision is a material covenant of this Agreement. Professional Service Provider agrees to not apply any costs or charge any fees to the City regarding the procurement of records required pursuant to a FOIA request. Should Professional Service Provider request that City utilize a lawful exemption under FOIA in relation to any FOIA request thereby denying that request, Professional Service Provider agrees to pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fee, and any other expenses) to defend the denial of the request. The defense shall include, but not be limited to, challenged or appealed denials of FOIA requests to either the Illinois Attorney General or a court of competent jurisdiction. Professional Service Provider agrees to defend, indemnify, and hold harmless City, and agrees to pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fees and any other expenses) to defend any denial of a FOIA request by Professional Service Provider's request to utilize a lawful exemption to City.
10. Discrimination Prohibited: The Professional Service Provider shall comply with the provisions of the Illinois Human Rights Act, as amended, 775 ILCS 5/1-101 et seq. (1992 State Bar Edition), and with all rules and regulations established by the Department of Human Rights. The Professional Service Provider agrees that it will not deny employment to any person or refuse to enter into any contract for services provided for in this Agreement to be performed on its behalf on the basis of unlawful discrimination as defined in the Illinois Human Rights Act.
11. Status of Independent Professional Service Provider: Both City and Professional Service Provider agree that Professional Service Provider will act as an Independent Consultant in the performance of the Work. Accordingly, the Professional Service Provider shall be responsible for payment all taxes including federal, state, and local taxes arising out of the Professional Service Provider's activities in accordance with this Agreement, including by way of illustration but not limitation, federal and state income tax, social security tax, and any other taxes or license fees as may be required under the law. Professional Service Provider further acknowledges under the terms of this Agreement, that it is not an agent, employee, or servant for the City for any purpose, and that it shall not hold itself out as an agent, employee, or servant of the City

under any circumstance for any reason. Professional Service Provider is not in any way authorized to make any contract, agreement, or promise on behalf of City, or to create any implied obligation on behalf of City, and Professional Service Provider specifically agrees that it shall not do so. City shall have no obligation to provide any compensation or benefits to Professional Service Provider, except those specifically identified in this Agreement. City shall not have the authority to control the method or manner by which Professional Service Provider complies with the terms of this Agreement.

12. Assignment; Successors and Assigns: Neither this Agreement, nor any part, rights or interests hereof, may be assigned, to any other person, firm or corporation without the written consent of all other parties. Upon approval of assignment, this Agreement and the rights, interests and obligations hereunder shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
13. Non-disclosure: During the course of the Work, the Professional Service Provider may have access to proprietary and confidential information including, but not limited to, methods, processes, formulae, compositions, systems, techniques, computer programs, databases, research projects, resident name and address information, financial data, and other data. The Professional Service Provider shall not use such information for any purpose other than described in this Agreement and Exhibits and shall not directly or indirectly disclose or disseminate such information to any third party without the express written consent of the City.
14. Hold Harmless and Indemnification: The Professional Service Provider shall hold harmless, and indemnify the City, its directors, officers, employees, agents, and elected officials, in whole or in part from and against any and all liabilities, losses, claims, demands, damages, fines, penalties, costs, and expenses, including, but not limited to, reasonable attorneys' fees and costs of litigation, and all causes of action of any kind or character, except as otherwise provided herein, to the extent that such matter arises from either of the following:
  - a) The Professional Service Provider's material breach of any term, provision, warranty, standard, unresolved conflict, or requirement of this Agreement including, but not limited to, those provisions of this Agreement pertaining to the Professional Service Provider's services; or
  - b) The negligence or willful misconduct of the Professional Service Provider, its employees, agents, representatives, and subcontractors.

In the event that any claim for indemnification hereunder arises from the negligence or willful misconduct of both the Professional Service Provider and the City, the parties agree that any and all liabilities, losses, claims, demands, damages, fines, penalties, costs, and expenses shall be apportioned between the parties on the basis of their comparative degrees of fault, except as otherwise herein provided.

15. Patents: The successful Professional Service Provider agrees to protect, defend, and save the City harmless against any demand for payment for the use of any patented material process, article, or device that may enter into the manufacture and construction, or copyrighted material that form a part of the Work covered by the Agreement.
16. Termination of Agreement: If the Professional Service Provider fails to perform according to the terms of this Agreement, then the City may terminate this Agreement upon seven (7) days written notice to the Professional Service Provider. In the event of a termination, the City shall pay the Professional Service Provider for services performed as of the effective date of termination, less any sums attributable, directly, to Professional Service Provider's breach. The City shall have the right to terminate this Agreement,

without cause, upon twenty- one (21) days written notice to the Professional Service Provider. The Professional Service Provider shall be paid for all work performed in conformance with the Agreement through the effective date of the not for cause termination. The written notice required under this paragraph shall be either (i) served personally during regular business hours; (ii) served by facsimile data transmission during regular business hours; (iii) by e-mail or (iv) served by certified or registered mail, return receipt requested, addressed to the address listed in this Agreement with postage prepaid and deposited in the United States mail. Notice served personally and by facsimile data transmission shall be effective upon receipt, and notice served by United States mail shall be effective three (3) business days after mailing.

17. Cancellation for Unappropriated Funds: The obligation of the City for payment to a Professional Service Provider is limited to the availability of funds appropriated in a current fiscal period, and continuation of the Agreement into a subsequent fiscal period is subject to appropriation of funds, unless otherwise authorized by law.
18. Default: In case of default by the Professional Service Provider, the City will procure articles or service from other sources and hold the Professional Service Provider responsible for any excess cost incurred. The City reserves the right to cancel the whole or any part of the Agreement if the Professional Service Provider fails to perform any of the provisions in the Agreement, fails to make delivery within the time stated, becomes insolvent, suspends any of its operations, or if any petition is filed or proceeding commenced by or against the Professional Service Provider under any State or Federal law relating to bankruptcy arrangement, reorganization, receivership, or assignment for the benefit of creditors. The Professional Service Provider will not be liable to perform if situations arise by reason of strikes, acts of God or the public enemy, acts of the City, fires or floods.
19. Force Majeure: No party hereto shall be deemed to be in default or to have breached any provision of this Agreement as a result of any delay, failure in performance or interruption of services resulting directly or indirectly from acts of God, acts of civil or military disturbance, or war, which are beyond the control of such non-performing party.
20. Notification: All notification under this Agreement shall be made as follows:
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| <i>If to the Professional Service Provider:</i>                      | <i>If to the City:</i>   |
| Illumant, LLC  | City of Wheaton  |
| Attn: Matija Siljak  | Attn: City Clerk   |
| 431 Florence Street, Suite 210                                       | 303 W. Wesley Street, PO Box 727   |
| Palo Alto, CA 94301  | Wheaton, IL 60187-0727   |
| Fax # 520-961-5912   | Fax # (630) 260-2017   |
| e-mail: <a href="mailto:siljak@illumant.com">siljak@illumant.com</a> | e-mail: <a href="mailto:cityclerk@wheaton.il.us">cityclerk@wheaton.il.us</a> |
21. Severability: If any provision of this Agreement is held to be illegal, invalid, or unenforceable, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision were never a part hereof; the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance; and in lieu of such illegal, invalid, or unenforceable provision there shall be added automatically as part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and legal, valid and enforceable.

22. Recovery of Costs: In the event the City is required to file any action, whether legal or equitable, to enforce any provision of this Agreement, the City shall be entitled to recover all costs and expenses incurred as a result of the action or proceeding, including expert witness and reasonable attorney's fees, if so provided in any order of the Court.

23. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without giving effect to its conflict-of-laws rules. Exclusive jurisdiction for any litigation involving any aspect of this Agreement shall be in the Eighteenth Judicial Circuit Court, DuPage County, Illinois.

In Witness Whereof, the parties have entered into this Agreement this 1<sup>st</sup> day of May 2017.

City of Wheaton, an Illinois municipal corporation

By: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Sharon Barrett-Hagen, City Clerk

Illumant, LLC

By: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

\_\_\_\_\_