Request for Quote (RFQ)

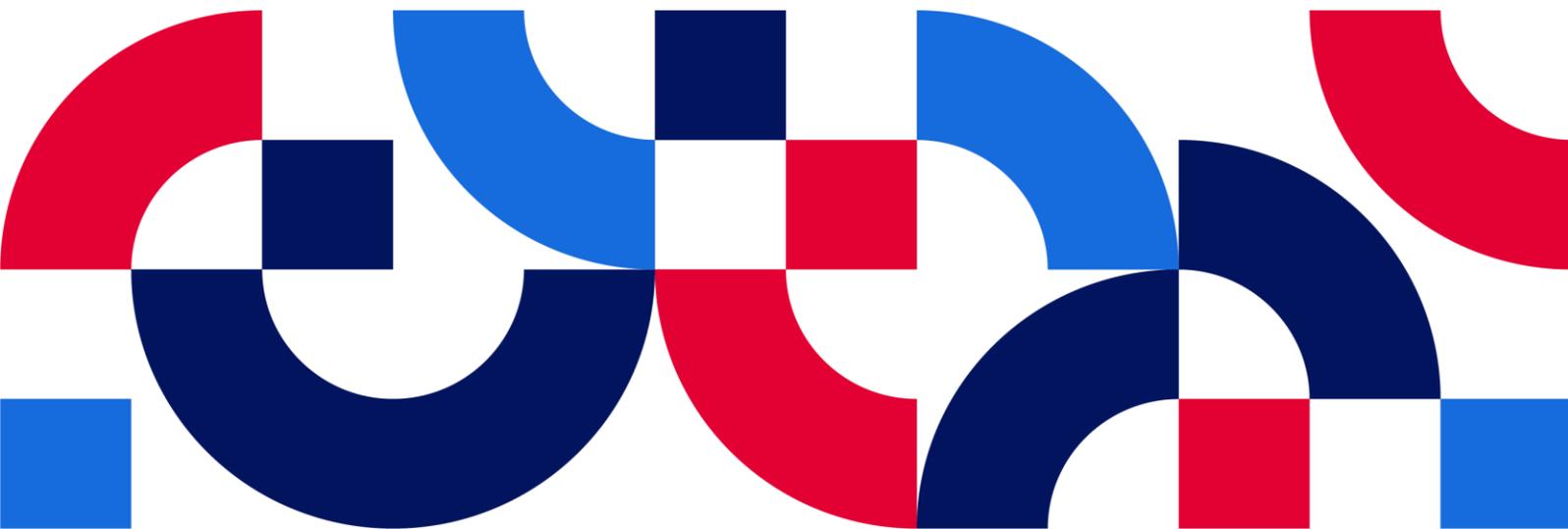**REF #: HCI_MDR_VMS_RFQ_0827**

Managed Detection and Response (MDR) Solution & Vulnerability Management System (VMS) for Municipalities

Release Date: September 9, 2021
Deadline for Submission: October 1, 2021

Issued by:

Hometown Connections, Inc.
12081 W. Alameda Parkway, #464
Lakewood, Colorado 80226

Contents

Hometown
Connections

Section 1: Introduction

Hometown Connections, Inc. (HCI) is soliciting quotes from qualified vendors offering Managed Detection and Response Solutions (MDR) & Vulnerability Management Systems (VMS) that meet the identified requirements of community-owned utilities. HCI seeks to partner with the selected vendor(s) to provide these solutions / systems.

HCI is a national, non-profit utility services organization serving community-owned utilities. A single source for many utility products and services, the team of HCI consultants and vendor partners provides affordable and high-quality solutions to help utilities transform business operations, planning, employee engagement, the customer experience, and much more. All of HCI's services and deliverables are scalable based on the size and objectives of the utility. HCI is committed to operational and service excellence.

Through a comprehensive national marketing program, HCI features vendor partners in a broad array of online and in-person promotional activities. HCI facilitates business development for vendors, providing introductions to key personnel at individual utilities and joint action agencies.

As described in this document, HCI's customer base consists of utilities of all sizes and configurations. Therefore, the ultimate solution should be flexible enough to be able to scale from a small to a large municipality. Responses will be evaluated on capabilities and pricing by a team comprised of joint action agency member owners of HCI. The successful vendor(s) will be invited to proceed to more specific negotiation on contract development and a partnership arrangement with HCI.

Responses to the RFQ are due on or before <u>October 1, 2021</u>.

Section 2: Company Overview

HCI is a national, non-profit utility services organization specializing in the unique challenges facing community-owned utilities. For over 23 years, our expert team has helped more than 900 utilities transform and update their processes and systems. Using a collaborative, community-focused approach, HCI provides innovative products and solutions while keeping quality and cost in the forefront. HCI has access to services and technology from industry-leading companies for utilities of all sizes and offers solutions to develop each area of the utilities business, including electric, gas, and water services.

We offer solutions for all areas of operations including compliance, cybersecurity, business strategy, customer care, finance, leadership, employee development, enterprise risk management, and many more.

The member owners of HCI are six public utilities joint action agencies:
- Alabama Municipal Electric Authority (AMEA)
- American Municipal Power (AMP)
- Great Lake Utilities (GLU)
- Missouri Public Municipal Alliance (MPUA)
- Northern California Power Agency (NCPA)
- Vermont Public Power Supply Authority (VPPSA)

Our member owners collectively represent 316 utilities across 15 states. The full marketing/sales network of HCI includes additional affiliated joint action agencies, state associations, and regional representatives across the U.S., for a total of 28 relationships covering 38 states or 78% of all public utilities.

HCI is governed by its Board of Directors, which is composed of representatives from the American Public Power Association and each of HCI's six joint action agency member owners. Day-to-day management of HCI is under the direction of its President & CEO.

HCI is passionate about serving and supporting community-owned utilities and strives to meet their needs in all facets through affordable, high-quality solutions.

Customer Base

HCI markets its services to approximately 2,000 community-owned utilities. They provide electricity to 49 million people across 49 states — all except Hawaii — and the territories of American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands. Most provide one or more additional utility services — water, wastewater, and occasionally natural gas and fiber. Of these 2,000 community-owned electric utilities, 1600 (80%) serve less than 10,000 customers and nearly 50% serve less than 2,000 customers. Fifty percent (50%) earn less than $5 million in annual revenue. Most of these utilities belong to joint action agencies (JAAs) that provide their power supply and transmission services. These JAAs also aggregate other services on behalf of their membership. The services sought in this RFQ would also be of interest to other utilities such as those primarily providing water and gas, as well as utility cooperatives which are also community owned.

Section 3: Project Overview

This request for quote seeks vendors offering solutions that help utilities improve their Cyber Security Posture through an ongoing Managed Detection and Response solution along with an integrated Vulnerability Management System. Together these systems would detect and alert of cyber-attacks, provide forensic information in the event of a Cyber Event, and allow the utility to be aware of unresolved vulnerabilities across all business networks and classify/prioritize remediation of them according to their risk level. Additional information below:

Managed Detection and Response

A Managed Detection and Response (MDR) solution that provides 24×7 monitoring of municipality networks, endpoints, and cloud environments and that can help detect, respond, and recover from cyber-attacks. Ideally this system would have flexibility to tie into on-premise and cloud data sources (i.e…. MS Office 365) to gain full visibility to all asset data and threats regardless of where they are. This system would also ideally be able to export data to other systems such as asset management or SIEM solutions for other business uses. Finally, the ideal system should be able to take in industry specific threat feeds like those that are supplied by the MS-ISAC (https://www.cisecurity.org/ms-isac/services/real-time-indicator-feeds/).

Hometown Connections

Vulnerability Management System

A network and/or agent-based vulnerability scanning solution that has the capability to scan a municipality's network and identify all unresolved vulnerabilities. Solution should include high level reports that show vulnerabilities ranked using the Common Vulnerability Scoring System (CVSS).

Consolidated Dashboard / View for JAA and HCI

In addition to each customer having their own dashboard, a key component of this solution will be to allow the participating Joint Action Agencies to be able to have a consolidated dashboard showing aggregated and detailed information for each of their utility members so that they can provide advisory services, assist with opening tickets and chasing down issue resolution, hold vulnerability remediation meetings, and provide other cyber assistance services as needed. Additionally, HCI will want a consolidated dashboard across all customers with the same capabilities.

Essentially, these dashboards should be able to show everything an individual utility customer would see but rolled up across multiple utilities with the option to drill down into each individual utility's information as needed.

See figure 1 below for a sample high level architecture of proposed solution.

<u>Figure 1</u>
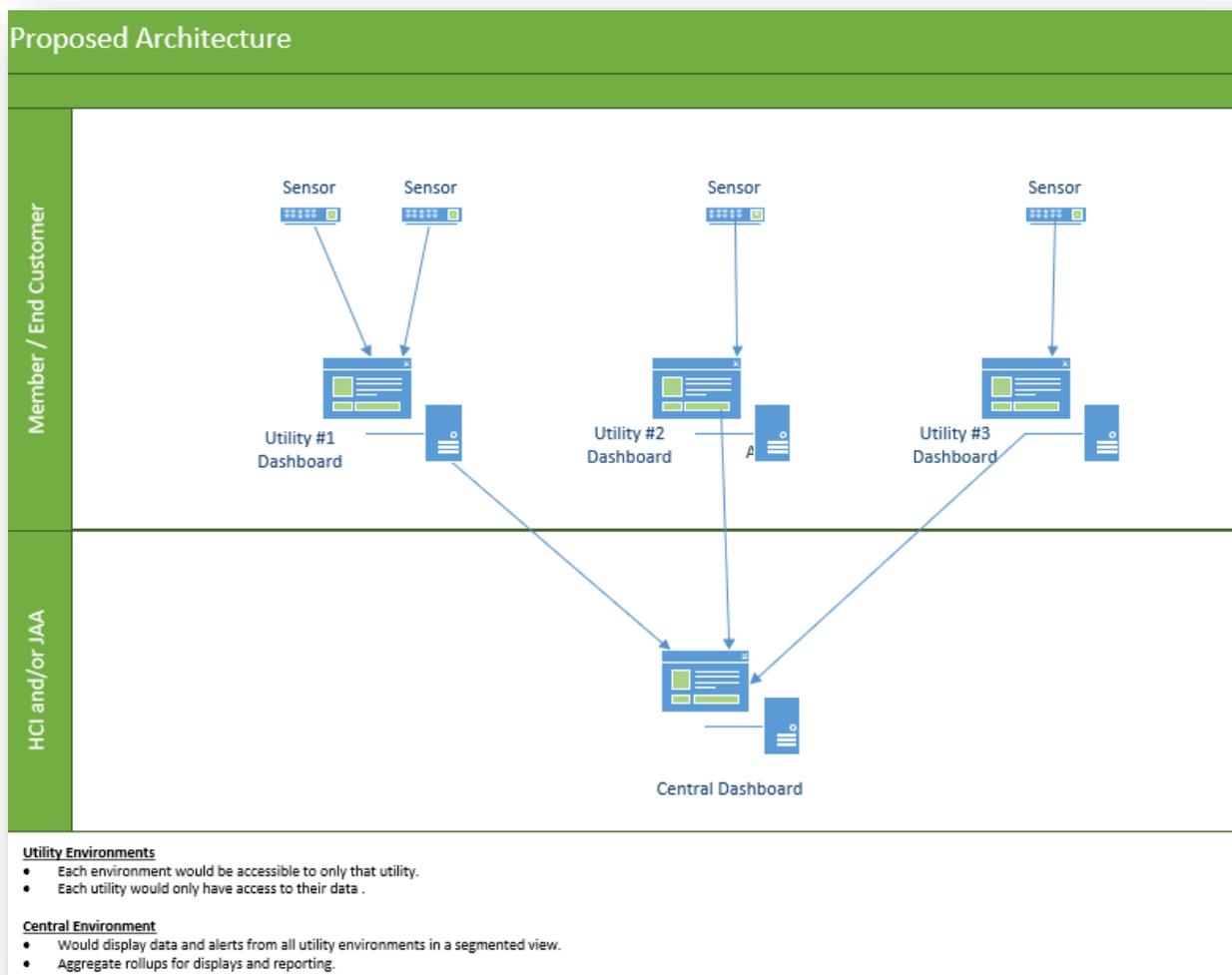
Section 4: Timeline/Schedule

HCI intends the selection process to proceed as outlined below; however, it reserves the right to modify the dates herein if necessary.

Event	Deadline
Date of Issue	September 9, 2021
Deadline for respondent to submit clarifications	September 17, 2021
Deadline for submission	October 1, 2021
Responses to be evaluated. Some respondents will be invited to present solution to HCI.	October 4, 2021 – October 15, 2021

All Respondents confirming their participation in the RFQ process should send their notice of intent to respond to the attention of **Craig Kibler,** ckibler@hometownconnections.com.

Section 5: Quote Requirements

A. **Cover Letter**
   1. A brief statement of the Respondent's understanding of the request and work to be done.

B. **Respondent Information**
   1. Summary of Respondent's Background
        i. Respondent's Name(s)
        ii. Respondent's Address
        iii. Respondent's Contact Information (and preferred method of communication)
        iv. Legal Form of Respondent (e.g. sole proprietor, partnership, corporation)
        v. Date Respondent's Company Formed
        vi. Description of Respondent's company in terms of size, range and types of services offered and clientele.
        vii. Respondent's principal officers (e.g. President, Chairman, Vice President(s), Secretary, Chief Operating Officer, Chief Financial Officer, and General Managers) and length of time each officer has performed in his/her field of expertise.
        viii. Evidence of legal authority to conduct business in Ohio (e.g. business license number)
        ix. Evidence of established track record for providing services and/or deliverables that are the subject of this proposal.

C. Quote

1. Responses to Project Requirements

The quote should include the completed table below project requirements as set forth below:

Component	Requirement	Meets (Yes/No)
Overall Solution	Must be priced so that it is economically feasible for smaller utilities and can scale to larger sized utilities..	
Overall Solution	Each sensor/scanner must be able to be remotely managed and upgraded using minimal effort.	
Overall Solution	Must be able to report data back to a dashboard that a single tenant can access for just that environment.	
Overall Solution	Must be able to report data into a central consolidated multi-tenant dashboard that a JAA and/or HCI can use to view all customers.	
Overall Solution	Any on premise devices must be hardened from a security perspective and there should be a process to update these devices automatically to remediate any known vulnerabilities	
Overall Solution	All website logins must enforce multi-factor authentication.	
MDR	Must pull in data from commonly available threat feeds and correlate against collected information from customer environments.	
MDR	OPTIONAL: Must be able to take in data from custom threat feeds using a standard format such as STIX/TAXII.	
MDR	Must be able to monitor for anomalous activity either using a network sniffing or agent-based tool or both.	
MDR	OPTIONAL: Able to orchestrate and automate response such as quarantining a device via endpoint agent, creating a block rule in firewall, and/or opening a ticket in customer CMDB.	
MDR	OPTIONAL: System should have flexibility to import data from other data sources such as asset management systems, mobile device management, and network access control to be able to provide additional context around assets and threats detected.	
MDR	OPTIONAL: System should have the flexibility to export data to other systems such as a SIEM for long term records retention and other uses.	
VMS	Must be able to perform vulnerability scans using either network based or agent-based scanning or both	
VMS	Must be able to perform asset/inventory scans.	
VMS	Must be able to accept credentials and perform authenticated scanning.	
VMS	Must be able to receive automatic updates provided via National Vulnerability Database (NVD).	
VMS	Output must be in machine readable format such as xml, csv, etc.	
VMS	Must be able to rank vulnerabilities based on CVE Scores.	
VMS	OPTIONAL: Must be able to auto-generate network maps from scan data and/or firewall config exports.	
VMS	OPTIONAL: Advanced scanning functionality such as Web Application Scanning, Database scanning, system image scanning (.iso or other).	
VMS	OPTIONAL: Able to remediate/patch vulnerabilities in an automated or orchestrated fashion.	
VMS	OPTIONAL: Able to scan SCADA/ICS/IOT devices and map those vulnerabilities to vendor specific CVEs.	

MDR = Managed Detection & Response

VMS = Vulnerability Management System

2. Planning, Management and Ongoing Support

In addition to the requirements above, the quote should address the following:
- Project management & implementation
- Additional customer onboarding
- Configuration/design meetings (include meeting cadence)
- Administrator Training
- Ongoing upgrades and support.
- Required Software licensing & maintenance.
- Required Software integration and/or interfaces.

3. Pricing

From a pricing perspective, HCI is looking for a partner who will provide a model that will be attractive and feasible for its utility base. HCI is asking for pricing for the following three example utility customer sizes.

	Small	Medium	Large
Firewalls	5	10	20
Routers/Switches	10	20	30
Servers	10	25	50
Computers	25	75	150
Other Network Devices (Phones, Printers, CCTV,etc.)	25	50	100
vlans / isolated networks	10 / 2	20 / 3	25 / 5
Internet Facing Systems	5	10	20

Hometown Connections

Respondent's pricing should be in the following format:

		HCI/JAA	Small	Medium	Large
Initial Costs					
	HCI / JAA Dashboard (Base System)	$ -	■	■	■
	Optional Addons	$ -	■	■	■
	Managed Detection & Response (Base System)	■	$ -	$ -	$ -
	Optional Addons	■	$ -	$ -	$ -
	Vulnerability Management System (Base System)	■	$ -	$ -	$ -
	Optional Addons	■	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -
Annual Costs					
	HCI / JAA Dashboard (Base System)	$ -	■	■	■
	Optional Addons	$ -	■	■	■
	Managed Detection & Response (Base System)	■	$ -	$ -	$ -
	Optional Addons	■	$ -	$ -	$ -
	Vulnerability Management System (Base System)	■	$ -	$ -	$ -
	Optional Addons	■	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -

    a. Pricing Notes:
        1) Respondent's solution should be a fully hosted solution(s) with the exception of any on premise scanners or agents.
    b. Describe if there is any project management or delivery cost.
        1) Other components: Provide pricing for add-on or upgrade products or components available with Respondent's product or solution.

Section 7: Submission Requirements

All questions and RFQ response should be submitted electronically via email to:

Craig Kibler, ckibler@hometownconnections.com

and reference **REF #: HCI_MDR_VMS_RFQ_0827** in the subject line.

A single copy of the response in digital form shall be emailed. Include the reference number noted above along with the name of the respondent in the subject line.

HCI will acknowledge receipt of Respondent's submittal via email.

Only those responses which are received by the deadline will be considered. Delivery in any other manner does not constitute proper or adequate delivery. Upon submission, all responses become the property of HCI.

Section 8: Additional Terms and Conditions

A. **Insurance, Licensing, or other Certification**

If selected, the Respondent will be required to maintain sufficient insurance, licenses, or other required certifications for the type of work being performed. Also, utility clients may require specific insurance coverage to be established and maintained during work and as a condition of award or continuation of contract.

B. **Non-Discrimination/Equal Employment Practices**

If selected, the Respondent and each of its known subcontractors may be required to comply and file documentation required by a local jurisdiction regarding non-discrimination/equal employment practices.

C. **Liabilities of HCI**

This RFQ is only an invitation for proposal and no contractual obligation on behalf of HCI whatsoever shall arise from the RFQ process unless and until a definitive contract is mutually agreed upon and signed between HCI and the respondent.

All costs of the RFQ process are entirely the responsibility of the Respondent and neither HCI, its member owners nor its affiliated joint action agencies shall be responsible for any costs incurred in the preparation or submission of any proposal or to procure or contract for any services. Good faith responses to this RFQ are being solicited without the creation of any obligation between parties, explicit or implied.

HCI makes no representation or warranty regarding the accuracy or completeness of the information contained in this RFQ or any statements made by representatives of HCI during the RFQ process. Each Respondent is responsible for making its own evaluation of information contained in this RFQ and in preparing and submitting responses to this RFQ.

The issuance of this RFQ and the receipt of information in response to this RFQ shall not, in any way, cause HCI to incur any liability (whether contractual, financial or otherwise) to any Respondent participating in the RFQ process, and by submitting a response, the Respondent hereby waives and releases HCI from and all claims, demands, actions, losses, liabilities, costs and expenses (including reasonable legal fees and expenses) arising out of or relating to this RFQ or Respondent's preparation or submission of any proposal.

D. **Quote Process Management**

HCI reserves, in its sole and absolute discretion, the right to accept or reject all proposals, to revise the RFQ, to request one or more resubmissions or clarification from one or more respondents, or to cancel the process in part while full. No respondent is obligated to respond to or to continue to respond to the RFQ after the submission in closing date.

E. **Confidentiality and RFQ Ownership**

This RFQ is both confidential and proprietary to HCI, and HCI reserves the right to recall the RFQ in its entirety or in part. Respondents shall not duplicate, distribute, or otherwise disseminate or make

available this document or the information contained in it, other than to its own employees and staff members, without the express written consent of HCI.

Respondents shall not include or reference this RFQ in any publicity without prior written approval from HCI, which if granted, shall be granted in HCI's sole and absolute discretion. Respondents must accept all the foregoing terms and conditions without exception. All responses to the RFQ will become the property of HCI and will not be returned.

F. **Security – Non-Disclosure**
The Respondent should understand this process is confidential and should be always treated as such.

G. **No Guarantee**
Selection of successful Respondent's product or solution does not guarantee the specific number of customers or an exclusive relationship with HCI or its member owners or customers. Each potential HCI customer will have an option to select a successful Respondent's product or solution to implement without the requirement of an RFQ.