



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

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**File #:** 18-0598, **Version:** 1

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**Dept/ Agency:** Administration/Office of Information Technology

**Action:** ( X ) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Exception to Public Bidding - N.J.S.A. 40A:11-5(1)(dd)

**Purpose:** To provide System Support, Training, Enhancement and Maintenance of proprietary software

**Entity Name:** Integrated Online Security, Inc.

**Entity Address:** 520 Broad Street, Newark, New Jersey 07102

**Contract Amount:** Not to exceed \$500,000.00 per annum

**Funding Source:** 2018 and 2019 Budgets

**Contract Period:** Two (2) years commencing May 1, 2018 through April 30, 2020, with an option to renew for one (1) additional year

**Contract Basis:** ( ) Bid ( ) State Vendor ( ) Prof. Ser. ( ) EUS

( ) Fair & Open (X) No Reportable Contributions ( ) RFP ( ) RFQ

( ) Private Sale ( ) Grant ( ) Sub-recipient ( ) N/A

**Additional Information:**

E2017-11 - Integrated Online Security, Inc. (IO Security) will be maintaining a customized security environment that they installed and configured at the request of the City of Newark in response to the cyber-attack April 2017.

**WHEREAS**, the Office of Information Technology is committed to providing a safe and secure network to facilitate all the City of Newark's (the City) information technology needs; and

**WHEREAS**, the City of Newark has a need to enter into a contract with Integrated Online Security, Inc. (hereinafter "IO Security"), 520 Broad Street, Newark, New Jersey 07102 for System Support, Training, Enhancement and Maintenance of the City's network security systems for an annual amount not to exceed \$500,000.00, for the period of two (2) years commencing May 1, 2018 through April 30, 2020, with an option to renew for one (1) additional year at the same funding level; and

**WHEREAS**, this maintenance contract is essential for the City's network security as it affects all departments; and

**WHEREAS**, IO Security was instrumental in helping the City to recover from a cyberattack in April 2017 by replacing perimeter security systems, implementing internal security prevention systems, and training City staff on advanced network security design; and

**WHEREAS**, IO Security has represented that they are qualified by their training and experience to provide the required cybersecurity services and that they have the exclusive right to make and sell these services which the Business Administrator certifies is essential and necessary for the conduct of its affairs, N.J.S.A. 40A:11-2(39); and

**WHEREAS**, pursuant to the Local Public Contracts Law *N.J.S.A. 40A:11-5(1)(dd)* such a contract for a proprietary computer system may be awarded as an exception to public bidding as the provision or performance of goods or services is for the support and/or maintenance of proprietary computer hardware and/or software; and

**WHEREAS**, the Business Administrator has determined and certified in writing that the value of this contract will exceed \$17,500.00; and

**WHEREAS**, this contract is being awarded pursuant to a “non-fair and open” process pursuant to State Pay-to-Play Law *N.J.S.A. 19:44A-20.5*; and

**WHEREAS**, IO Security, has completed and submitted a Business Entity Disclosure Certification which certifies that IO Security, has not made any reportable contributions to a political or candidate committee in the City of Newark in the previous one year, and the contract will prohibit IO Security, from making any reportable contributions through the term of the contract; and

**WHEREAS**, the Business Entity and any of its subcontractors, if any, have certified that it is in compliance with the Contractor Pay-to-Play Reform Ordinance 2:4-22C.

**NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor and/or his designee, the Business Administrator are authorized to enter into and execute a contract with Integrated Online Security, Inc., 520 Broad Street, Newark, New Jersey 07102, to provide System Support, Training, Enhancement and Maintenance of a customized security environment for the City of Newark, for an annual amount not to exceed \$500,000.00, for maximum total of \$1,000,000.00 over two years commencing May 1, 2018 and terminating April 30, 2020, with an option to renew for one additional year at the same annual cost.
2. The contract is ratified from May 1, 2018 through the date of adoption.
3. This contract is being awarded pursuant to the non-fair and open procedures of State Pay-to-Play Law (*N.J.S.A. 19:44A-20.5*) and pursuant to the provisions of Local Public Contracts Law (*N.J.S.A. 40A:11-5(1) (dd)*), and is in compliance with the Contractor Pay-to-Play Reform Ordinance 2:4-22C.
4. Pursuant to N.J.A.C. 5:30-5.5, temporary budget, attached hereto is a partial certification of funds from the Director of Finance, which states that funds in the amount of \$50,000.00 are available in the 2018 Temporary Budget and the line appropriation which shall be charged is: Business Unit NW011; Dept. 030; Div./Proj. 0306; Activity A; Account # 71420; Budget Ref.: B2018. The remainder of the funding for this contract will be subject to appropriation in the 2018 Adopted Budget and included in a line item for the award of the contract and said funds will be certified prior to services being provided by the contractor and a copy filed with the City Clerk.

5. There shall be no amendments or changes to this contract without approval of the Newark Municipal Council.
6. There shall be no advance payments on this contract in accordance with N.J.S.A. 40A:5-16.
7. A copy of the contract is attached hereto. A duly executed copy of the aforesaid contract shall be filed in the Office of the City Clerk by the Office of the Business Administrator.
8. A notice of this action shall be published in a newspaper authorized by law to publish a legal advertisement and as required by law within ten (10) days of its passage.

### **STATEMENT**

This resolution ratifies and authorizes the Mayor, and/or his designee, the Business Administrator, to enter into and execute a contract with Integrated Online Security, Inc., 520 Broad Street, Newark, New Jersey 07102, to provide System Support, Training, Enhancement and Maintenance of a customized security environment for the City of Newark, for an annual amount not to exceed \$500,000.00 per annum, for the period of two years commencing May 1, 2018 through April 30, 2020, with an option to renew for one additional year at the same cost.