

Proposed First Amendment to Agreement No. 20-3776 with International Business Machines



**Sheeba Varughese
Chief Information Officer
September 07, 2023**

Summary Request

First Amendment to Agreement No. 20-3776 with International Business Machines Corporation (IBM) for the Cyber Resilience Center (CRC) Project:

- Operations and maintenance support for additional two years
 - Additional stakeholder onboarding
 - ISO 27001 re-certification
- Software enhancements and implementation services
- Increase the total not-to-exceed (NTE) compensation amount by \$5,000,000
- Extend the term of the agreement for additional two years

Port of Los Angeles Cyber Security



Cyber Security Operations Center (CSOC)

Focus:

Port Cybersecurity Operations



Cyber Resilience Center (CRC)

Focus:

Port Cyber Security Community System

Cyber Resilience Center



- **Establishment:** Operational since December 2021. State-of-the-art facility completed in October 2022
- **Management:** Operated and managed by IBM with Port oversight. Staffed full-time by cybersecurity analysts with industry certifications
- **Processes:** ISO 27001 certification for Information Security Management System (*Pending October 2023*)
- **Collaboration:** Port ecosystem stakeholders (e.g., Port CSOC, City of LA, terminal operators, shipping lines, railroad companies and other partners)

Cyber Resilience Center



- Reduce cyber risks that could disrupt the flow of cargo
- Early warning system for the ecosystem with improved quality, quantity and speed of cyber information sharing
- Greater collective knowledge of relevant cyber threats in the supply chain community
- Collaboration forum for stakeholder cyber personnel
- Information/advisory resource for recovery
- Non-invasive, non-disruptive to existing cyber security operations

Proposed CRC Budget



- **Current Approved Budget: \$6,800,000**
- **Proposed Additional Budget: \$5,000,000**
 - CRC Solution Enhancements and Implementation : \$1,504,006
 - Software and Hardware Maintenance : \$854,858
 - Operations and Maintenance Support including On-site Staffing: \$2,301,770
 - Additional Contingency : \$339,366
- **Total Proposed NTE Budget : \$11,800,000**

Staff Recommendation

Staff Recommends that the Board:

- Approve the First Amendment to Agreement No. 20-3776 between the City of Los Angeles Harbor Department and International Business Machines Corporation for hardware, software and services required to enhance, operate, maintain, and support the turn-key Cyber Resilience Center solution:
 - increase the not-to-exceed compensation amount by \$5,000,000 (total NTE compensation of \$11,800,000)
 - extend the term for additional two years (total of five years) to December 8, 2025

THANK YOU

