OTESANVA PAR	BOARD OF SUPERVISORS AGENDA LETTER	Agenda Number:			
FUTURE	Clerk of the Board of Supervisors 105 E. Anapamu Street, Suite 407 Santa Barbara, CA 93101 (805) 568-2240	Submitted on: (COB Stamp)			
		Department Name: Department No.: Agenda Date: Placement: Estimated Time: Continued Item: If Yes, date from:	Information Technology 067 July 1, 2025 Administrative No		
		Vote Required:	Majority		
TO:	Board of Supervisors				
FROM:	Department Director: Chris Chirgwin, Chief Information Officer (CIO)				
	Contact Info: Andre Monostori, Deputy CIO				
SUBJECT:	Agreement for Professional Services of Independent Contractor with eXchange IT				

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: Yes

#### **Recommended Actions:**

That the Board of Supervisors:

a) Approve and authorize the Chair to execute an Agreement with eXchange IT to procure continued Red Canary cybersecurity protection services in base contract amount of \$965,233 for the Term beginning July 1, 2024, through June 30, 2028 (Agreement);

Auditor-Controller Concurrence

As to form: Yes

- b) Approve and authorize the Chief Information Officer or their designee to order additional services in an amount not to exceed \$48,261; and
- c) Determine that the above recommended actions are government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and is therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

#### Summary Text:

This item is on the agenda to request the Board approve a three-year agreement with eXchange IT as the reseller for the renewal of Red Canary cybersecurity end-point protection services for Fiscal Year 2025-26 through Fiscal Year 2027-28.

### **Discussion:**

Red Canary is the County's current security monitoring partner. They help protect County computer systems and online tools by watching for unusual or harmful activities, day and night, every day of the year. Their team quickly investigates any security warnings and acts when needed, helping to keep County data and systems safe.

This service also supports our internal IT security staff by answering questions and providing expert advice. Because Red Canary works with many other clients, they bring a broader view of cyber threats and can spot larger patterns that an individual agency might not see. As part of the service, the County also receives valuable information on emerging threats. This is especially important, as some federal sources of threat data may be discontinued due to changes in national funding. This Agreement ensures continued protection, timely responses to threats, and support for County staff in keeping our systems secure.

## **Background:**

In 2021, the Information Technology Department (then the Information and Communications Technology Division of the General Services Department) contracted with Kroll Cybersecurity to provide security operations center services, which included Red Canary. The agreement with Kroll was terminated in July 2022, and the Information Technology Department contracted with a new vendor, Critical Start. That contract expired June 2024, and a contract directly with Red Canary was established. In October 2024, Red Canary informed staff that contracting with a reseller would be required to procure its services. The reseller chosen for this renewal is eXchange IT.

#### Performance Measure:

Recent performance shows the service is working well. Over a 90-day period, Red Canary reviewed thousands of activities across County computers, flagged several concerning events, and confirmed eight real threats. All their alerts were accurate, and half of the most serious issues were identified in under two hours.

The vendor, eXchange IT, will ensure Red Canary meets all Service Level Agreements (SLAs) by ensuring security events are responded to by the vendor within the defined timeframes per the SLAs. Event responses that fail to meet the SLAs will be credited back to the County. Red Canary SLAs include a commitment of 99.9% uptime (availability of services); if the County is unable to access the services, Red Canary will provide the County a credit equal to five times what it paid during the excess downtime; and Red Canary commits that within 10 minutes of a Red Canary analyst's confirmation of a threat identified in the County network infrastructure, it will notify the County.

The vendor, eXchange IT, will ensure Red Canary meets all Service Level Agreements (SLAs) by ensuring security events are responded to by the vendor within the defined timeframes per the SLAs. Event responses that fail to meet the SLAs will be credited back to the County.

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## Fiscal and Facilities Impacts:

## Budgeted: Yes

## Fiscal Analysis:

Funding Source	FY 2025-26	FY 2026-27	FY 2027-28	Total
ITD Internal Service Fund 1915	\$321,744	\$321,744	\$321,744	\$965,233
Contingency				48,262
Total	\$321,744	\$321,744	\$321,744	\$1,013,495

**Narrative:** The total cost for Fiscal Year 2025-26 is \$321,744. This cost increased from the prior fiscal year cost of \$318,961 due to standard industry increases. A 5% contingency of \$48,262 ("Contingency") is requested to provide additional services that may be needed during the Term.

Funding for this Agreement and the Contingency are included in the Fiscal Year 2025-26 operating budget for the Information Technology Service Fund 1915 and are recovered through the rates charged to departments and will continue to be included in the FY 2026-27 and 2027-28 budgets.

## **Special Instructions:**

Please email a copy of the executed agreement and minute order to Onelia Rodriguez (<u>onrodriguez@countyofsb.org</u>) and Jason Womack (<u>iwomack@countyofsb.org</u>) in the Information Technology Department.

#### Attachments:

Attachment A – Red Canary Agreement with eXchange IT

# Authored by:

Jason Womack Department Business Specialist (<u>iwomack@countyofsb.org</u>) Onelia Rodriguez Finance Manager (<u>onrodriguez@countyofsb.org</u>)