



Agenda Item No. (4)(b)

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of June 22, 2023

From: Fang Lu, Chief Technology Director  
Kellee J. Hopper, Deputy General Manager, Administration and Development  
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**  
**(b) BUDGET INCREASE IN THE FY 22/23 DISTRICT DIVISION**  
**CAPITAL BUDGET FOR PROJECT #2212, CYBER SECURITY**  
**STRATEGIC PLAN AND MITIGATIONS**

### **Recommendation**

The Finance-Auditing Committee recommends that the Board of Directors authorize an increase in the FY 22/23 District Division Capital Budget, in the amount of \$300,000, for Project #2212, *Cyber Security Strategic Plan and Mitigations*.

This matter will be presented to the Board of Directors at its June 23, 2023, meeting for appropriate action.

### **Summary**

Cyber Security risks have increased tremendously in the past several years. To respond to the growing threats, the Information Systems department requested funding during the FY22 budget cycle to initiate a capital program with the following objectives:

- Execute easy to implement solutions/ processes to mitigate cyber threats.
- Develop a Cyber Security Strategic Plan to identify and define more complex initiatives needed to mitigate the Golden Gate Bridge, Highway and Transportation District's (District) risks to cyber threats that would likely need separate funding.

The scope of the program was confined to the District's corporate network and did not include the Radio and Toll networks.

To date, the following activities and actions have been taken on this project:

- Penetration Tests
- Establishing on-call cyber security services
- Conducted a red-team exercise, simulating a real-world cyber-attack to assess the security capabilities
- Conducted a cyber defender exercise

In February 2022, Information Systems was tasked with leading a District-wide Cyber Security Assessment, that includes all District networks. Instead of initiating a separate project, the funding for the subject capital program was increased by \$250K, for a total program budget of \$750K, as it was deemed closely related and appropriately encapsulated within the subject project. Furthermore, the outcomes of this assessment would then feed into the District’s Cyber Security Strategic Plan.

Leveraging Information Systems’ bench contracts (#2021-D-001 On Call Cyber Security Professional Services), proposals were requested from all pre-qualified vendors and reviewed for cost and ability to meet the defined scope of work. The District selected eSentire to perform the work and a task order was issued for \$456,880.

The value of this task order is greater than the originally estimated cost of \$250,000 to conduct a District-wide cyber security assessment. As a result, this does not leave the program with sufficient funds to complete the expanded scope of the Cyber Security Strategic Plan or for contract contingency. Therefore, additional funding of \$300,000 is needed and would include the cost of executing continuous mitigation tasks plus a 20% of contingency for the contract of \$456,888 with eSentire.

**Fiscal Impact**

Project No. 2212, *Cyber Security Strategic Plan and Mitigations*, was approved in the FY 21/22 District Division Capital Budget in the amount of \$500,000 and was increased to \$750,000 during the FY 22/23 budget process. The proposed actions would result in a \$300,000 increase to the total project budget. If approved, the revised total project budget of \$1,050,000 will be 100% District funded.

The following tables provide a breakdown of the proposed capital project budget.

**TABLE 1: PROPOSED CAPITAL PROJECT BUDGET – NO. 2212, CYBER SECURITY STRATEGIC PLAN AND MITIGATIONS**

DESCRIPTION	INITIAL PROJECT BUDGET	APPROVED ADJUSTMENT (JULY 2022)	CURRENT PROJECT BUDGET	PROPOSED INCREASE	TOTAL PROPOSED PROJECT BUDGET
<b>Capital Project #2212</b>	\$500,000	\$250,000	\$750,000	-	\$1,050,000
<b>Increase of Cyber Assessment Contract #2021-D-001</b>	-	-	-	\$206,880	-
<b>20% of Contingency</b>				\$91,377	
<b>Other Minor Tasks</b>	-	-	-	\$1,742	-
<b>Total Capital Cost</b>	<b>\$500,000</b>	<b>\$250,000</b>	<b>\$750,000</b>	<b>\$300,000</b>	<b>\$1,050,000</b>