

NEFRC

February Monthly
**PERSONNEL, BUDGET &
FINANCE POLICY
COMMITTEE**
Meeting

February 7, 2008
9:30 a.m.

Northeast Florida Regional Council
6850 Belfort Oaks Place
Jacksonville, FL 32216



Bringing Communities Together

Baker • Clay • Duval • Flagler • Nassau • Putnam • St. Johns

MEMORANDUM

Date: January 30, 2008
To: NEFRC Personnel, Budget, and Finance Policy Committee
From: Donna Starling^{DS}, Chief Financial Officer
Re: February 7, 2008, Committee Meeting

=====
The next meeting of the Personnel, Budget, and Finance Policy Committee will be held on **Thursday, February 7, 2008**, at **9:30 a.m.** at the **Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida, 32216.**

Northeast Florida Regional Council
PERSONNEL, BUDGET & FINANCE
POLICY COMMITTEE

A G E N D A

**Northeast Florida Regional Council
6850 Belfort Oaks Place
Jacksonville, FL 32216**

**Thursday, February 7, 2008
9:30 a.m.**

**(ADDED OR MODIFIED ITEMS IN BOLD)
(*Denotes Action Required)**

1. Call to Order, Roll Call, Introductions –Chair O’Connell
- *2. Approval of January 3, 2007 Meeting’s Minutes – Chair O’Connell.....1
3. New Business
 - *A. December 2007 Financial Report – Donna Starling.....2
 - *B. Approval of Contract Award for CITAMS – Jeffrey Alexander.....3
4. Old Business
5. Next Meeting Date and Location: **Thursday, March 6, 2008**
Northeast Florida Regional Council
6850 Belfort Oaks Place
Jacksonville, Florida 32216
6. Adjournment

***Denotes Action Item**

Tab 1



NORTHEAST FLORIDA REGIONAL COUNCIL
Personnel, Budget, and Finance Policy Committee
January 3, 2008

MINUTES

A meeting of the NEFRC Personnel, Budget and Finance Policy Committee was held on Thursday, January 3, 2008 at 9:00 a.m., at the Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida, 32216. **Chair O'Connell** called the meeting to order with the following members present representing a quorum:

Hugh Fish	Jim O'Connell
Bob Sgroi	Karen Stern
Larry Williams	

Excused: Chip Laibl, Chereese Stewart

Staff: Brian Teeple, Mario Taylor, Donna Starling, Joyce Rhodes and Angela Giles

*Approval of Minutes

Mr. Fish moved approval of the minutes of the December 6, 2007, meeting; seconded by Mr. Sgroi; motion unanimously carried.

New Business

*November 2007 Financial Report

Ms. Starling reported that the Council posted a Net Income of \$42,447 for the month of November and a Year to Date Net Income of \$50,325. The Business Development Corporation (BDC) posted a Net Income of \$37,678 for the month of November and a Year to Date Net Income of \$49,496. The Agency wide totals were a Net Income of \$80,125 for the month and a Net income of \$99,821 (includes BDC Net Income) Year to Date. As of November 2007, BDC has paid off their debt to the Council. Ms Starling stated that the main reason for the large income to the Council was a grant funded asset that we had to recognize in the month of November. The expenditures for that asset will appear over a five year period through depreciation costs. **Mr. Williams moved approval of the November 2007 Financial Report; seconded by Mr. Sgroi; motion unanimously carried.**

Mr. Teeple advised that the BDC will probably be adding staff over the next year in their efforts to increase business activity. This will likely affect the money in reserve shown in the current report.

Ms. Starling presented the proposed budget revision for the 2007/2008 budget year which removes the Healthy Start Coalition from the approved budget. It includes some minor changes to other program areas. The revision changes the revenue from \$13.4 million to \$7.1 million. Discussions followed regarding the changes in various programs. The proposed revision includes the intended purchase of a new vehicle which requires an increase to the General Fund by approximately \$40,000. **Mr. Williams moved approval of the 2007/2008 Budget Revision; seconded by Mr. Fish; motion unanimously carried.**

Ms. Maryann Magers, Magers & Associates, presented the results of the 2007 Audit Report. Ms. Magers indicated that it was an unqualified opinion, with no exceptions taken to the report. This is the highest level of assurance that can be issued on any report. Discussion of the contents of the report followed, including components of the report, audit methods and legal requirements of program areas. It was noted that this will be the last year that the Healthy Start Coalition is included in the Audit report and that the BDC will be presented as a discrete component next year. **Mr. Fish moved approval of the Audit report; seconded by Mr. Sgroi; motion unanimously carried.**

Mr. Teeple requested to extend Magers & Associates contract through fiscal year 2010. Since we have not had the opportunity to discuss the final cost of the audit for the next three years with Magers & Associates, Mr. Teeple asked permission to negotiate with the Auditor. **Ms. Stern moved approval for further discussions and extension of the contract for Magers & Associates; seconded by Mr. Williams; motion unanimously carried.**

Mr. Taylor presented samples of the proposed Tenant Leases for available space. Current tenants have expressed an interest to increase their current spaces into those recently vacated. It is anticipated that the vacant spaces will be leased, including cost increases, without further difficulty. Space vacated by Healthy Start Coalition will be used by the Council staff and the BDC. This makes available the first floor for tenant operations. Tenant leases should be finalized prior to the February meeting.

Mr. Teeple presented the restructuring of the BDC. The BDC is moving to a fully independent entity with a separate Board of Directors. The BDC Board of Directors has not been appointed as of yet, but will include 25 seats made up primarily of representatives from the lending community.

Old Business

None.

Next Meeting Date and Location

The next meeting is scheduled for **Thursday, February 7, 2008** at 9:00 a.m., at the **Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida 32216.**

Adjournment

There being no further business for discussion, **Mr. Sgroi moved for adjournment, seconded by Mr. Williams; motion unanimously carried.** The meeting was adjourned at 9:48 a.m.

DRAFT

Tab 2

MEMORANDUM

DATE: January 29, 2007
TO: Northeast Florida Regional Council
THRU: Hugh D. Fish, Secretary/Treasurer
FROM: Donna Starling, ^{DS} Chief Financial Officer
RE: December 2007 Financial Report

Northeast Florida Regional Council posted a Net Loss of \$15,026 for the month of December and a Year to Date Net Income of \$35,300. The Business Development Corporation posted a Net Loss of \$13,963* for the month of December and a Year to Date Net Income of \$35,533. The Agency wide totals were a Net Loss of \$28,989 for the month and a Net Income of \$70,833 (includes BDC Net Income) Year to Date.

Regional Council - Agencywide	Adopted Amended Budget 07/08	December, 2007	YTD	Represents 25% of Fiscal Year	Budget Variance
Revenues					
Planning and Development	\$ 1,019,522	100,221	229,581	23%	-2%
Emergency Preparedness	\$ 4,471,553	149,381	388,498	9%	-16%
County	\$ 606,025	50,502	151,506	25%	0%
Business Development Corporation	\$ 536,326	27,496	126,269	24%	-1%
Regional Data Center	\$ 166,023	10,054	26,562	16%	-9%
AME Ministerial Alliance	\$ 57,384	17,225	49,532	86%	61%
North Florida Procurement Association	\$ 32,000	5,452	10,909	34%	9%
Regional Leadership Academy	\$ 30,500	506	15,157	50%	25%
Regional Visioning	\$ 75,000	-	-	0%	0%
Tenant Revenue	\$ 100,000	7,192	27,126	27%	2%
Anticipated Revenue/Other	\$ 60,000	3,711	14,923	25%	0%
TOTAL REVENUES	\$ 7,154,334	\$ 371,741	\$ 1,040,063		
Expenses					
Salaries and Fringe	\$ 2,698,814	233,679	575,027	21%	-4%
Contract/Grant Direct Expenses	\$ 3,701,113	104,778	271,599	7%	-18%
Common/Indirect - Allocated Expenses*	\$ 424,277	52,746	126,790	30%	5%
General Fund Expense*	\$ 330,130	9,527	(4,186)	-1%	-26%
TOTAL EXPENSES	\$ 7,154,334	\$ 400,730	\$ 969,230		
Net Income (loss)	\$ -	(28,989)	\$ 70,833		

*Excludes Salaries & Fringe

Planning and Development	Adopted Amended Budget 07/08	December, 2007	YTD	Represents 25% of Fiscal Year	Budget Variance
Revenues					
Local Gov't T.A./DCA	\$ 519,000	66,336	142,787	28%	3%
DRI	\$ 155,000	11,157	23,737	15%	-10%
TD	\$ 112,000	12,847	32,283	29%	4%
SHIP/Weatherization	\$ 130,111	9,881	30,774	24%	-1%
Affordable Housing	\$ 50,000	-	-	0%	0%
Special Projects	\$ 53,411	-	-	0%	0%
TOTAL REVENUES	\$ 1,019,522	\$ 100,221	\$ 229,581	23%	
Expenses					
Salaries/Fringe	\$ 589,358	54,634	130,861	22%	-3%
Direct	\$ 59,990	7,302	17,241	29%	4%
Common/Indirect	\$ 370,174	38,314	81,508	22%	-3%
TOTAL EXPENSES	\$ 1,019,522	\$ 100,251	\$ 229,611	23%	
Net Profit (Loss)	\$ -	\$ (30)	\$ (30)		

Emergency Preparedness	Adopted Amended Budget 07/08	December, 2007	YTD	Represents 25% of Fiscal Year	Budget Variance
Revenues					
Emergency Preparedness Local TA	\$ 248,383	10,989	48,501	20%	-5%
Hurricane Study	\$ 2,186,000	83,492	158,442	7%	-18%
DCA LEPC	\$ 40,909	3,435	9,726	24%	-1%
HMEP	\$ 30,639	-	-	0%	0%
Terrorism Statewide Coordination	\$ 590,000	2,001	19,347	3%	-22%
SQG	\$ 20,000	-	1,188	6%	-19%
SHSGP Terrorism	\$ 75,000	1,396	11,890	16%	-9%
DEM TA	\$ 300,000	31,653	85,976	29%	4%
EOC IMT	\$ 35,000	-	-	0%	0%
EOC Enhancement	\$ 64,010	1,053	37,170	58%	33%
Region 3 Workshop	\$ 25,000	-	-	0%	0%
Infrastructure Assessments	\$ 300,000	-	-	0%	0%
USAI Program	\$ 500,000	-	-	0%	0%
Other Revenue	\$ 56,612	15,362	16,259	29%	4%
TOTAL REVENUES	\$ 4,471,553	\$ 149,381	\$ 388,498	9%	
Expenses					
Salaries/Fringe	\$ 583,393	38,299	112,354	19%	-6%
Direct	\$ 3,507,500	81,415	199,357	6%	-19%
Common/Indirect	\$ 380,660	29,667	76,788	20%	-5%
TOTAL EXPENSES	\$ 4,471,553	\$ 149,381	\$ 388,498	9%	
Net Profit (Loss)	\$ -	\$ -	\$ -		

BDC	Adopted Amended Budget 07/08	December, 2007	YTD	Represents 25% of Fiscal Year	Budget Variance
Revenues					
Processing	\$ 166,000	-	16,550	10%	-15%
Interest	\$ 50,000	-	30,600	61%	36%
Servicing	\$ 267,000	27,496	79,119	30%	5%
Other	\$ 53,326	-	-	0%	0%
TOTAL REVENUES	\$ 536,326	\$ 27,496	\$ 126,269		
Expenses					
Salaries/Fringe	\$ 363,079	28,524	64,307	18%	-7%
Direct Expenses	\$ 43,000	2,813	5,556	13%	-12%
Common/Indirect	\$ 130,246	10,122	20,872	16%	-9%
TOTAL EXPENSES	\$ 536,326	\$ 41,459	\$ 90,736		
Net Profit (Loss)	\$ -	\$ (13,963)	\$ 35,533		

Northeast Florida Regional Council
 Balance Sheet
 December 2007

	FY 06/07 December 2006	FY 07/08 December 2007
ASSETS		
Regional Council Cash	898,673	2,354,484
Healthy Start Cash	319,557	-
Regional Council Accounts Receivable	613,535	834,910
BDC Accounts Receivable	133,128	50,550
Healthy Start Accounts Receivable	148,794	-
Due from other funds - BDC	148,736	-
Closing Cost	18,547	17,290
Total Current Assets	2,280,970	3,257,234
Property and Equipment:		
Office furniture and equipment	726,031	731,271
Software	115,200	115,200
Land	271,910	271,910
Building	1,928,090	1,928,090
Building improvements	467,166	467,166
Less accumulated depreciation	957,555	1,016,917
Total Property and Equipment, net	2,550,842	2,496,719
Total Assets	4,831,812	5,753,953
LIABILITIES		
Accounts payable	63,478	34,724
Due to other funds	148,736	-
Loan deposits	140,688	53,050
Accrued salaries and leave	98,830	153,682
Regional Council Deferred Revenue	605,118	1,658,882
Healthy Start Deferred Revenue	265,554	-
Tenant deposits	10,104	10,104
Notes payable	1,600,479	1,521,976
Total Liabilities	2,932,986	3,432,418
EQUITY		
Equity and Other Credits:		
Retained earnings	1,898,826	2,321,535
Total Equity and Other Credits	1,898,826	2,321,535
Total Liabilities, Equity and Other Credits	4,831,812	5,753,953

YTD Comparison

06/07

07/08

AGENCYWIDE

October	\$	19,119*	\$	19,696*
November	\$	70,889*	\$	99,821*
December	\$	99,805*	\$	70,833*
January	\$	108,838*		
February	\$	131,824*		
March	\$	163,602*		
April	\$	196,138*		
May	\$	241,354*		
June	\$	255,024*		
July	\$	286,401*		
August	\$	323,295*		
September	\$	319,143*		

BDC

October	\$	4,000	\$	11,818
November	\$	43,538	\$	49,496
December	\$	44,135	\$	35,533
January	\$	42,115		
February	\$	56,579		
March	\$	62,051		
April	\$	77,943		
May	\$	103,372		
June	\$	107,149		
July	\$	116,666		
August	\$	129,105		
September	\$	143,660		

* Includes BDC Year to Date totals.

MEMORANDUM

DATE: January 29, 2008
TO: Northeast Florida Regional Council
DS
FROM: Donna Starling, Chief Financial Officer
RE: December Investment Report

Sweep Account Interest

	FY 06/07	FY 07/08
December Interest	\$2,424	\$ 2,900
Year to Date Interest	\$8,211	\$10,482

Florida Local Government Investment Trust


Current Balance	\$13,659	\$14,585
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Tab 3

MEMORANDUM

Date: February 5, 2008

To: Northeast Florida Regional Council Board Members

From:  Jeffrey A. Alexander, Director, Emergency Preparedness Program

Re: Critical Infrastructure Threat Assessment and CITAMS

The Department of Homeland Security (DHS) maintains a list of facilities that are considered National Critical Infrastructure. These facilities are selected based on their function and values to the nation as a whole. The impacts to these facilities, if affected by a disaster, would have national effects. In order to develop the data to protect these facilities, threat assessment and mitigation strategies are developed for each site. These assessments are the foundation for funding considerations for future protective actions or asset acquisition for site protection.

The State of Florida, county and city governments, all have facilities that they list as infrastructure that should receive this level of analysis for both threat assessment and disaster recovery purposes.

The primary function of the CITAMS program is to conduct the assessments on all the facilities designated by the Federal, State, County or Municipal governments and to create a database. This database will be available to responders of all disciplines to develop site plans for firefighting, police protection, or other response or protective action. Once operational, the database will also help the Region to respond to various requests for information from the DHS, which are made based on ongoing threat and vulnerability analysis. It can further be used in post-disaster damage assessments to identify facilities that should be prioritized for rehabilitation in order to re-establish essential services, and reduce economic and hardship impacts.

This project is based on a coalition of several agencies including: FDLE, State funding agency; DHS, grant providers; Baker County, fund recipient; Jacksonville UASI (Urban Area Security Initiative), additional funding agency; Jacksonville Sheriffs Office, technical experts and staff assessment team; and the Regional Council as grant administrators. The Council designed the program, wrote the original grant, assembled the coalition in conjunction with the FDLE, and is responsible for program implementation.

The contract before you for approval is the result of months of coalition research and proposal reviews to obtain software that will meet the program goals and objective.

Recommendation: Staff requests that the Board approve the contract and authorize the CEO to sign and execute this contract.

CONTRACT

Between

NORTHEAST FLORIDA REGIONAL COUNCIL AND DIGITAL SANDBOX, INC.

The Northeast Florida Regional Council, hereafter referred to as the "Council", working in conjunction with the Regional Domestic Security Task Force (RDSTF) has determined it to be in the best interest of all parties to accept the proposal provided by Digital Sandbox, Inc., hereafter referred to as the "Contractor".

The contract for ***Critical Infrastructure Threat Assessment and Mitigation System (CITAMS)*** is awarded as of the date of endorsement by the Northeast Florida Regional Council. The purpose of this Contract is to develop, maintain, train and deploy the services and products defined in the solicitation documents and as clarified and accepted by Digital Sandbox, Inc.

SCOPE OF SUPPLIES AND SERVICES

The following documents are incorporated and made a part of this contract;

1. Digital Sandbox, Inc. Best and Final Offer dated January 11, 2008.
2. Digital Sandbox, Inc. Clarifications & Additional Information dated 13 December 2007 as updated on January 11, 2008.
3. Digital Sandbox, Inc. Request for Proposal response dated October 26, 2007.
4. Request for Proposal with the Scope of Work (Attachment (1), Critical Infrastructure/Key Resource Sector (CI/KR) (Attachment (2), and Schedule of Deliverables (Attachment (3)).

The above documents constitute the performance parameters of this contract. The requirements of the RDSTF and the Contractor's ability to meet these needs have been clearly defined. In the event of conflict between the above documents, the latest terms and conditions to the proposal will be held as the final determination.

Should disputes arise, unresolved conflicts must be forwarded to the Council and the Florida Department of Law Enforcement (FDLE) within 24 hours of discovery for a determination satisfactory to all parties.

COMPENSATION AND METHOD OF PAYMENT

Schedule of Supplies and Services

<u>Item Number</u>	<u>Description</u>	<u>Cost</u>
01	Hardware and Software , including; Backup System, 3 rd Party Software and Backup Server	Not To Exceed \$ 20,000.00
02	Software Applications, including; 1 st Year's Maintenance	\$ 95,000.00
03	1 st Year's Activated Support	\$ 2,500.00
04	Labor, including, but not limited to; Phase I services, installation, and Phase II services.	\$130,183.00
05	2 nd Year Maintenance and Activated Support	\$ 19,600.00
06	Required travel and other costs.	\$ 16,000.00
TOTAL AMOUNT:		\$283,283.00
07	"Standby Support Services" which may be exercised by Authorized Personnel as required by an extraordinary event. Standby Support is to be billed at a rate of \$120.00 per hour.	Not To Exceed \$ 5,000.00

Inspection and Acceptance

The RDSTF shall perform the Inspection and Acceptance in stages based upon completion of tasks. Inspection may be made by an authorized individual or in total by the representatives of the RDSTF.

Inspection and Acceptance milestones are specified as follows and are predicated on the proper function of the system with all functional requirements being met:

1. Deployment Plan Completion
2. Beta Test of System
3. Final System Completion

Formal acceptance of each of these milestones will be made by the NEFRC with final acceptance being done by the Florida Department of Law Enforcement (FDLE).

Taxes

The RDSTF and its constituents does not pay Federal or State excise or sales taxes. The NEFRC as administrative authority for this Contract is exempt under State of Florida Tax Exempt Certification effective through May 31, 2012. Questions regarding Tax Exempt Status should be directed to Ms. Donna Starling, Chief Financial Officer, Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida 32216.

Progress Payments

The RDSTF will allow progress payments provided the Contractor has successfully completed the milestones set forth above. The Contractor may solicit the NEFRC for payment upon evidence of acceptance. The progress payments are scheduled as follows;

Acceptance of Deployment Plan

25% of \$283,283 = \$70,820.75

Acceptance of Beta Test

25% of \$283,283 = \$70,820.75

Acceptance of Final System

50% of \$283,283 = \$141,641.50

Invoicing

Invoices for payment should be forwarded to the Northeast Florida Regional Council, Attn: Joyce Rhodes, 6850 Belfort Oaks Place, Jacksonville, Florida 32216.

COMPLIANCE AND ASSURANCES

Independent Contractor Status

The Contractor, together with its agents, distributors, resellers, subcontractors, officers and employees, shall have and always retain under the Contract the legal status of independent contractor, and in no manner shall they be deemed employees of the City, County, or State of Florida; nor shall they be entitled to any benefits associated with such employment. During the term of this Contract, the Contractor shall maintain at its sole expense those benefits to which its employees would otherwise be entitled to by law. The Contractor remains responsible for all applicable federal, state and local taxes, and all FICA contributions.

Compliance With Laws

The Contractor shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state and local agencies having jurisdiction and authority. The Contractor shall further comply with section 247A(e) of the Immigration and Nationalization Act, the Americans with Disabilities Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. Violation of such laws shall be grounds for termination.

Suspension of Work

The Council may in its sole discretion suspend any or all activities under the Contract, at any time, when in the best interest of the Council or the RDSTF to do so. The Council shall provide the Contractor written notice outlining the particulars of the suspension. Examples of reasons for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, the Contractor shall comply with the notice and shall not perform further actions. Within ninety (90) days, or any longer period agreed to by the Contractor, the Council shall either; (1) issue a notice authorizing resumption of work, at which time activity shall resume, or

(2) terminate the Contract. Suspension of work shall not entitle the Contractor to any additional compensation.

Termination for Convenience

The Council, by written notice to the Contractor, may terminate the Contract in whole or in part when the Council determines that it is in the best interest of the Council and its representative parties to do so. The Contractor shall not furnish any product or service after it receives the notice of termination. The Contractor shall not be entitled to recover any cancellation charges or lost profits.

Termination for Cause

The Council may terminate the Contract if the Contractor fails to: (1) deliver the product or service within the time specified in the Contract or any extension, (2) maintain adequate progress, thus endangering performance of the Contract, (3) honor any term of the Contract, or (4) abide by the statutory, regulatory, or licensing requirement. The Contractor shall continue work on any portion of work not terminated. Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises from events completely beyond the control, and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is completely beyond the control of both the Contractor and the subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted products were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule. If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligation of the parties shall be the same as if the termination had been issued for the convenience of the Council. The rights and remedies of the Council in this clause are in addition to any other rights and remedies provided by law.

CONTRACT SIGNATURE AND DATE OF AWARD

This Contract and its referenced attachments constitute all the terms and conditions agreed upon by the parties.

IN WITNESS THEREOF: The Northeast Florida Regional Council, as the duly appointed representative of the Regional Domestic Security Task Force (RDSTF), accepts the proposal of Digital Sandbox, Inc. for provision of supplies and services to complete the ***Infrastructure Threat Assessment and Mitigation System (CITAMS)***.

FOR THE COUNCIL:
NORTHEAST FLORIDA REGIONAL COUNCIL

By: _____
Brian D. Teeple
Chief Executive Officer

Date

WITNESSED BY:

Donna Starling
Chief Financial Officer

Date



Risk Optimized Solutions

Digital Sandbox Best and Final Offer Cost Details

Presented To:
Northeast Florida Regional Council (NEFRC)
Regional Domestic Security Task Force, Region III (RDSTF)
Jacksonville Urban Area Security Initiative (UASI)

January 11, 2008

Prepared By:
Digital Sandbox, Inc.
8260 Greensboro Drive, Suite 200
McLean, VA 22102
Phone: (703) 442-4553
Web: www.dsbox.com

Jacksonville CITAMS Best and Final Offer Cost Details

Item	Name	Description	Qty	Unit Cost	Sub Total	Item Total
Hardware & Software Material	1 Risk Management System Hardware	Enterprise Server*	2	\$4,500.00	\$9,000	
	2 Backup System		1	\$1,000.00	\$1,000	
	3 3rd Party Software Licenses	Microsoft Windows / SQL Server	2	\$5,000.00	\$10,000	\$20,000
Software	4 Site Profiler (SP) Software Package: SP Application Package SP Connect - ACAMS SP Server Core	SP Application Package includes: 1. Asset Module 2. BZPP Assessments 3. Threat Module 4. Risk Module 5. Assessment Module 6. Analyst Workstation 7. Gap Analysis & Counter measures 8. 1st year's Maintenance, SP software 1st year's Activated Support	1	\$95,000.00	\$95,000	
	5 Activated Support		1	\$2,500.00	\$2,500	\$97,500
Labor	6 Services	Phase I Services include: 1. Detailed Implementation Plan 2. Site Profiler Configuration & Installation 3. CI/KR Catalog 4. Threat Baseline 5. Risk Baseline 6. Initial training for all of the above Phase II Services include 1. Additional Training 2% Discount	1	\$132,840.00	\$132,840	
	7 Discount		1	-\$2656.20	-\$2656	\$130,183
Maintenance	9 Maintenance on Site Profiler software	2nd year's maintenance, SP software	1	\$17,100.00	\$17,100	
	10 Activated Support	2nd year's Activated Support	1	\$2,500.00	\$2,500	\$19,600
Expense and Other Costs	11 Travel Costs	Travel	1	\$16,000.00	\$16,000	
	12 Other Costs	All other expenses are included	0	\$0.00	\$0	\$16,000
TOTAL						\$283,283

Notes

- (1) The costs for Hardware and 3rd Party Software is a ceiling for expected material costs. Digital Sandbox will not exceed this amount when purchasing these items
- (2) Annual software maintenance is calculated at 18% of the price of the Site Profiler (SP) software under license. In this proposal, the SP package license is \$95,000. Annual maintenance is 18% times \$95,000 or \$17,100. One year's maintenance is included in the sale price, and the second year's maintenance is listed above.
- (3) Digital Sandbox is offering commercial items and services at or below its commercial prices. No additional profit is included in the prices above.

Jacksonville CITAMS Stand-by Support Offer

In addition to the support services offered in our proposal, Digital Sandbox offers 'Standby Support' for an additional fee on an as-desired basis. 'Standby Support' is completely optional and goes above and beyond any requirement in the RFP. Complete details about the services offered as part of 'Standby Support' may be found in the body of the proposal.

Table 1: Digital Sandbox Offers Standby Support for an hourly rate plus expenses

Fee	Cost
Standby Support Hourly Rate	\$ 120*

* Plus applicable travel and meals expenses

REQUEST FOR PROPOSAL

For

Critical Infrastructure Threat Assessment And Mitigation System (*CITAMS*) Concept of Operations

The Northeast Florida Regional Council (NEFRC) working in conjunction with the Regional Domestic Security Task Force (RDSTF), Region III and the Jacksonville Urban Area Security Initiative (UASI), has defined a requirement for Critical Infrastructure/Key Resource data as well as mitigation strategies based on a structured risk analysis.

As a result, the purpose of the Request for Proposal is to invite qualified Contractors to submit proposals to develop, maintain, train and deploy the services and products defined in the Scope of Work, Attachment (1).

SECTION I – SCOPE OF WORK

The Scope of Work required by this Request for Proposal is addressed as Attachment (1) to this document. Attachment (2) Critical Infrastructure/Key Resource Sector (CI/KR) is included for information purposes.

SECTION II – DELIVERABLES

Deliverables are defined in Attachment (3) to this Request for Proposal. Deliverables shall include the following;

Item 01	Detailed Implementation Plan	Not Separately Priced
Item 02	System Components	Not Separately Priced
Item 03	CI/KR Catalog and Training	Not Separately Priced
Item 04	Threat and Hazard Baseline and Training	Not Separately Priced
Item 05	Risk Baseline and Training	Not Separately Priced
Item 06	System Delivery	Not Separately Priced

Contractor's Proposed Cost of Items 01 to 06: \$ _____

Deployment and System Delivery

The Contractor, as required by of the Scope of Work, shall propose the specific time and resource requirements for the RDSTF, Contractor and any third party participants. The preferred format is MS project. In addition, supporting documentation is preferred in an MS Word or Adobe PDF formats.

The plan should outline at a minimum, the major project steps, Contractor resources, user resource dependencies, user deliverable dependencies, and a timeline for deliverables.

The RDSTF anticipates deployment of the system to be completed prior to March 31, 2008.

Transportation and Delivery

The Contractor's proposal shall include all charges for packing, handling freight, distribution, and inside delivery of tangible products or resources. Prior notification to a shipping location is required not less than (5) working days prior to the receipt of any product. The Contractor is responsible for notifying the NEFRC of any Government or other agency caused delay.

SECTION III – EVALUATION CRITERIA

Key Personnel

The Contractor shall specify sufficient technical, administrative and process consultants to successfully deploy the system in a timely manner.

Where the RDSTF has concerns regarding this requirement, the Contractor may be asked to provide the resumes of the personnel considered key to the successful completion of the project. The RDSTF reserves the right to request personnel backgrounds checks where it is deemed in the best interest of the project.

Evaluation Criteria

In addition to any other factors the RDSTF deems pertinent, the Contractor's proposal shall be evaluated by a team designated by the NEFRC. The team evaluation will be held in closed session and will evaluate the proposal based on the following weighted criteria. The evaluation criteria are listed in descending order of importance and will represent 60% of the total scoring available to an offer.

1. Asset Data Capture, Presentation, and Transfer - This section should address as a minimum;
 - a. Integration to/from ACAMS
 - b. Site Identification elements captured, organized by NIPP sector

- c. Identification of critical site operations and significant assets
 - d. Application of threat identification
 - e. Security Checklists
 - f. Buffer zone
2. System Population – Should address as a minimum, an initial load of relevant third party systems that can be used to create an initial historical load of asset, threat/hazards and survey information.
 3. Risk Assessment Report – At a minimum should address;
 - a. Creation of portfolio of threat and hazards
 - b. Generation of assessment report which is utilized as a basis for Threat/Hazard Mitigation and response.
 - c. Countermeasure Report
 - d. Individual Asset Reports for related assets involved in threat or hazard events
 - e. Modeling report for bomb/explosion effects
 - f. Threat/Hazard Reporting.
 4. Gap Analysis/Countermeasures Support – Should address as a minimum;
 - a. Creation of standardized and user-defined countermeasure set
 - b. Generation of identified countermeasures as applicable to asset profiles and applied threats/hazards
 - c. Applicability of the proposed countermeasures to asset and departmental Gap Analysis
 5. Intelligence Integration – Should address as a minimum;
 - a. Capture, retain and distribute intelligence information
 - b. Integration to appropriate assessment reports

The Evaluation Team shall review the Contractor’s proposal on the following criteria which represents 40% of the total scoring available;

1. Contractor’s Corporate Structure
2. Contractor’s Corporate Referrals and Recommendations of business associates.

SECTION IV – INSPECTION AND ACCEPTANCE

Risk of Loss

Until acceptance, risk of loss or damage shall remain with the Contractor. The Contractor shall be responsible for filing, processing and collecting all damage claims. To assist the Contractor with damage claims the RDSTF shall; record any evidence of

visible damage on all copies of the delivering carriers' Bill of Lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's Bill of Lading and damage inspection report. When the RDSTF rejects a product, the Contractor shall remove it from the premises within ten (10) working days after notification or rejection. Upon rejection notification, the risk of loss of rejected or non-conforming equipment shall remain with Contractor. Rejected equipment or product not removed by the Contractor within ten (10) days shall be deemed abandoned by the Contractor, and the RDSTF shall have the right to dispose of it as its own property. The Contractor shall reimburse the RDSTF for costs and expenses incurred in storing or effecting removal or disposition of rejected equipment or product.

Inspection and Acceptance

The RDSTF anticipates Inspection and Acceptance to be performed in stages based on benchmarks of completion. Inspection may be made by any, part or all of the representatives of the RDSTF.

Inspection and Acceptance milestones are specified as follows and are predicated on the proper function of the system with all functional requirements being met:

1. Deployment Plan Completion
2. Beta Test of System
3. Final System Completion

Formal acceptance of each of these milestones will be made by the NEFRC with final acceptance being done by the Florida Department of Law Enforcement (FDLE).

SECTION V – INVOICING AND PAYMENT

Taxes

The RDSTF and its constituents does not pay Federal or State excise or sales taxes. The NEFRC as administrative authority for any resulting contract is exempt under State of Florida Tax Exempt Certification effective through May 31, 2012. Questions regarding Tax Exempt Status may be directed to Ms. Donna Starling, Chief Financial Officer, Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida 32216.

Progress Payments

The RDSTF will allow progress payments provided the Contractor has successfully completed the milestones set forth above. The Contractor may solicit the NEFRC for

payment upon evidence of acceptance. The progress payments are scheduled as follows;

Acceptance of Deployment Plan	25% of Total Award
Acceptance of Beta Test	25% of Total Award
Acceptance of Final System	50% of Total Award

Invoicing

Invoices for payment should be forwarded to the Northeast Florida Regional Council, Attn: Joyce Rhodes, 6850 Belfort Oaks Place, Jacksonville, Florida 32216.

SECTION VI – OTHER TERMS AND CONDITIONS

Security and Confidentiality

The Contractor shall comply fully with all security procedures of the United States, State of Florida, and the RDSTF in the performance of the Contract. The Contractor shall not divulge to third parties any confidential information obtained by Contractor or its agents, distributors, resellers, subcontractors, officers, or employees in the course of performing Contract work, including, but not limited to, security procedures, business operations information, or commercial proprietary information in the possession of the RDSTF, its agencies or third parties. The Contractor shall not be required to keep confidential information or material that is publicly available through no fault of the Contractor, material that the Contractor developed independently without relying on the RDSTF's confidential information, or material that is otherwise obtainable under law as public record. To insure confidentiality, the Contractor shall take appropriate steps as to its personnel, agents, and subcontractors. The warranties of this paragraph shall survive the Contract.

Warranty of Authority

Each person signing any resulting Contract warrants that he or she is duly authorized to do so and to bind the respective party to the Contract.

Proposal Conference

If requested, a conference will be held for potential Contractors on Wednesday, September 27, 2007 at 2:00 p.m. at the office of the Northeast Florida Regional Council, 6850 Belfort Oaks Place, Jacksonville, Florida 32216. *Offerors may request this conference by contacting Ms. Joyce Rhodes at (904)279-0885 ext. 148 not later than Thursday, September 20, 2007 at 12:00 p.m. (Noon).*

Submission of Proposals

The Contractor shall submit **Fifteen (15) complete copies** of his/her proposal along with supporting documentation as required by the Scope of Work , Attachment (1) and elsewhere in this document. The Contractor is strongly cautioned to provide complete documentation as required by the evaluation criteria.

Instructions on Proposal Submission

1.) **Closing Submission Date**

Proposals must be submitted no later than 12:00 p.m. (Noon) on October 12, 2007.

2.) **Inquiries**

Inquiries concerning this RFP should be directed to Joyce Rhodes (904) 279-0885 ext. 148 or JRhodes@nefrc.org.

3.) **Conditions of Proposal**

All costs incurred in the preparation of a proposal responding to this RFP shall be the responsibility of the Contractor and shall not be reimbursed by the Northeast Florida Regional Council or the RDSTF in any part.

4.) **Instructions to Prospective Contractors**

Your proposal should be addressed as follows:

Northeast Florida Regional Council
6850 Belfort Oaks Place
Jacksonville, FL 32216
Attention: Joyce Rhodes

It is important that the Contractor's proposal be submitted in a sealed envelope clearly marked in the lower left-hand corner with the following information:

SEALED PROPOSAL
For: CITAMS

Failure to do so may result in premature disclosure of your proposal.

It is the responsibility of the Contractor to insure that the proposal is received by the Northeast Florida Regional Council by the date and time specified above.

Late proposals will not be considered.

Right to Reject

The Northeast Florida Regional Council reserves the right to reject any and all proposals received in response to this RFP. The Northeast Florida Regional Council may request additional information from any Contractor.

Small and/or Minority-Owned Businesses

Efforts will be made by the Northeast Florida Regional Council and the RDSTF to utilize small businesses and minority-owned businesses.

An Offeror qualifies as a small business firm if it meets the definition of "small business" as established by the Small Business Administration (13 CFR 121.3-8), by having average annual receipts for the last three fiscal years of less than four million dollars.

Notification of Award

The NEFRC staff, with recommendations from the RDSTF Evaluation Team, shall review all properly submitted proposals and make a recommendation of award to the Board of Directors at the Council Board Meeting on November 1, 2007. Notification of award will be made promptly following Board approval.

SCOPE OF WORK

Critical Infrastructure Threat Assessment And Mitigation System (CITAMS) Concept of Operations (ConOps)

Introduction

This Scope of Work defines the Concept of Operations (ConOps) required by this Request for Proposal. The successful Contractor shall provide the development, deployment and support of a computer software system that will allow for the capture, organization, analysis and distribution of asset, threat, and mitigation factors related to Critical Infrastructure and Key Resources within the Regional Domestic Security Task Force, Region III (RDSTF) and the Jacksonville Urban Area Security Initiative (UASI). The successful Contractor shall work in concert with local stakeholders to provide modules related to the capture and reporting of Critical Infrastructure/Key Resources data as well as mitigation strategies based upon structured risk analysis.

The ConOps detailed in this Scope of Work describes a broad functional requirement for a system that will facilitate the cataloging of asset and threat information in a defined environment while providing an analytical component based upon Department of Homeland Security (DHS) standards. This analytical component will provide a risk baseline that will be used to facilitate mitigation strategies.

The deployment of the CITAMS will provide a structure within which an asset catalog and baseline assessment can be managed. The system shall provide a comprehensive view of the Critical Infrastructure issues within the RDSTF while maintaining Federal requirements for DHS standards.

Related Documents

The following references are made a part of this requirement and are defined for Contractor notification:

1. National Preparedness Goal (NPG)
2. National Infrastructure Protection Plan (NIPP)
3. National Recovery Plan (NRP)
4. National Incident Management System (NIMS)
5. National Planning Scenarios (HSPD-8)

Copies of these documents may be obtained, with fee, from the Government Printing Office, 432 North Capitol Street Northwest, Washington, DC 20001.

SYSTEM REQUIREMENTS

1. Architecture

The proposed product shall be server based and accessible over the web. The development and database architecture shall be a known industry standard and portable. No hardware token shall be used on any component within this architecture. At the user's discretion, the user shall be permitted to have a second hot reserve server available, not in production, for emergency recovery without further licensing costs. This hot reserve server shall be activated by the user for recovery in the event of primary server failure.

2. User Structure

The system shall accommodate a user-defined access structure which is role based. The primary roles envisioned are;

Administrators	(2) roles
Primary Access	(20) roles
Assessors	(20) roles
View Only	(40) roles

Administrators shall access and maintain all system functions, including view profiles for any functional divisions and user types. Primary Access users shall be local to their organizations and have control over the addition/maintenance of Assessor, Abbreviated Assessor and View Only user setup. Assessors shall have the capability to enter and access data including some reports. Abbreviated Assessors shall have access to a specific assessment and shall be used for entry of assessment information only. View Only users shall only have the ability to view information based upon their specific discipline/role.

3. Product Version

The Contractor shall be required to reference the most recently released version of the product at the time of award, unless the RDSTF specifically requests in writing an earlier model or version and the Contractor is willing to provide such model or version.

In addition, the Contractor must carry the appropriate errors and omissions coverage and source software archived in the instance of discontinuation of the business enterprise.

4. Version Maintenance

The Contractor shall provide all major revisions/upgrades to the software system for a period of not less than two (2) years from the date the revision/upgrade is issued or from Contract Acceptance, whichever is later. Further maintenance agreements may be made

at the Contractor's discretion. Major revisions/upgrades are defined as those modifications to the operating software that significantly affects the manner in which the software processes, stores, modifies or reports relevant data elements. The Contractor shall provide sufficient release notes that completely inform the system Administrators of the functional changes of the upgrade/revisions. In addition, the Contractor shall be tasked with providing any installation and/or conversions for the upgrades/revisions to the software.

Upon completion of the two (2) year version maintenance program, the Contractor shall provide to the RDSTF a complete summary of all updates, upgrades and revisions that have been made a part of the system.

5. Product Support

The Contractor shall function as a resource to the technical and system Administrators for issue resolution. Issues are defined on the following scale in order of importance;

- a. Critical Failure
- b. Mission Interruption (with viable workaround)
- c. Mandated Changes
- d. Local Changes
- e. Cosmetic

In the event of an incident as defined by the National Response Plan (NRP), the Contractor shall provide and required real-time support to ensure the continuity of the system function.

For incidents other than Critical Failure or Mission Interruption, support services shall be provided as a minimum Monday through Friday, 0800 to 1800 hours, except during a threat or hazard event during which support shall be on call/as needed regardless of day or time.

The Contractor shall provide sufficient staff to cover the following minimum responses;

- a. Critical Failure – response shall provide a viable correction strategy within thirty (30) minutes of notification. The Contractor shall specify resources, logistics, and a timeline for the resolution of the relevant problem. Failure to meet the required specified response may result in punitive damages as allowed by law.
- b. Mission Interruption (with viable workaround) – Events shall be responded to with a viable workaround strategy within thirty (30) minutes; workaround plan to be specified within twenty-four (24) hours; and a permanent resolution shall be in place within ten (10) working days.

- c. Local Changes and Cosmetic – shall be placed into published request queue for review by both the Contractor and the RDSTF for consideration of implementation based upon criticality of the changes to the future mission.

6. Security

The content being retained, cataloged, and distributed on this system is at a minimum considered “Confidential” in nature.

All materials, samples, profiles, assessments and other work products of the RDSTF Region III; including, but not limited to, the Jacksonville Sheriff’s Office, Florida Department of Law Enforcement (FDLE), the NEFRC and other contributing agencies are considered governed under the rules of confidentiality. The Contractor shall be required to endorse the appropriate “Confidentiality Agreements” with the participating agencies. Background checks may be required for any or all persons participating in any part of this project.

Additionally, the system shall be hosted on a secure server with a structured access methodology. Access may be obtained such structure as Secured Socket Layer or Transport Layer Security (https). At minimum the system shall provide a secure password protected access methodology which can be updated and/or modified by the system Administrators.

7. Training

The Contractor shall provide training for the administrative roles and for roles determined to be subject matter experts or trainers. Training held during the deployment period shall be held at the various agency sites. Training shall be individualized to suit the requirements of the deployment and include resources for the on-going maintenance of the system.

The Contractor shall make available training resources for on-line help facilities, manuals or reference materials for users of the system.

The proposal shall include two (2) training sessions specified as occurring after final acceptance of the system. This shall provide for any follow-on training that may be required during the continuing deployment of the system throughout the region.

A schedule of future training courses shall be submitted as a part of any offer and shall be made available for review and should include a process for notifying the user as to future course availability.

FUNCTIONAL REQUIREMENTS

1. Critical Infrastructure and Key Asset Catalog

The primary goal of the system implementation is to generate, store and communicate to the DHS the Critical Infrastructure/Key Resource (CI/KR) elements. The Contractor shall work with agency resources to create a structured database of CI/KR elements from

Federal, State and Regional sources. For the purposes of deployment, approximately 2,000 individual assets will be identified. However, this number may vary depending on the availability of data sources determined during the analysis related to the development of the Detailed Implementation Plan. It is recognized that the same level of detail may not be available for each of the assets identified. All available information prior assessments and other sources shall be incorporated.

The Contractor shall provide methodology to create asset resource entry of boilerplate asset information. This shall be accomplished by giving access to an user to logon to an asset resource for a limited time in order to enter the relevant data. The views of the software shall be managed based upon role-based security levels defined by the project team.

The fundamental requirement of the system function is that asset profiles shall be available for transfer to the Federal ACAMS in accordance with established guidelines for transferability and data calls.

2. Threat and Hazard Baseline

The Contractor shall provide a threat and hazard baseline based upon national standards and customized to the individual agency's regional requirements. The standards shall be based upon the National Preparedness Goal (NPG), The National Infrastructure Protection Plan (NIPP) and the DHS Homeland Infrastructure Threat and Analysis Center (HITRAC).

Each threat and hazard shall be quantified as to statistical metrics for risk analysis. The Contractor shall apply this baseline in conjunction with the agency resources and provide the knowledge base to allow the agency to sustain the application. The threat and hazard baseline shall be loaded automatically into the system.

The Contractor shall provide consultative resources required to generate a risk baseline for the RDSTF Region III, in conjunction with agency resources. This shall be based upon an established methodology in which the Contractor works with the agency resources to apply risk metrics to the data and develop the risk profile. The Contractor

shall be responsible for the generation of the baseline's findings and communicating the methodology to the agency's lead resources. This information shall be available for loading into the CITAMS. The final result of this process shall enable the agency to utilize the system to generate future compiled baselines.

Attachment (2)

CRITICAL INFRASTRUCTURE/KEY RESOURCE SECTOR (CI/KR)

CI/KR Sector	Sector-Specific Agency
Agriculture	Department of Agriculture Department of Health and Human Services
Defense Industrial Base	Department of Defense
Energy	Department of Energy
Public Health and Healthcare	Department of Health and Human Services
National Monuments and Icons	Department of the Interior
Banking and Finance	Department of the Treasury
Drinking Water and Water Treatment Systems	Environmental Protection Agency
Chemical	Department of Homeland Security Office of Infrastructure Protection
Commercial Facilities	Department of Homeland Security Office of Infrastructure Protection
Dams	Department of Homeland Security Office of Infrastructure Protection
Emergency Services	Department of Homeland Security Office of Infrastructure Protection
Commercial Nuclear Reactors Materials and Waste	Department of Homeland Security Office of Infrastructure Protection
Information Technology and Telecommunications	Office of Cyber Security and Telecommunications
Postal and Shipping	Transportation Security Administration
Transportation Systems	Transportation Security Administration United States Coast Guard
Government Facilities	Immigration and Customs Enforcement Federal Protective Service

SCHEDULE OF DELIVERABLES

Item	Description
1	Detailed Implementation Plan Contains timeline, resource, training, design, and architecture specifications for the deployment of the proposed system. It will be generated from the Implementation Plan and Scope documents submitted in the vendor proposal.
1.1	Project Timeline GANTT Chart with critical path and resource dependencies.
1.2	Resource List Detailed resource description, roles, and dependencies
1.3	Component Specification Description of product modules and function.
1.4	Training Plan As per timeline and listed requirements.
1.5	System Architecture Technical specification of the proposed hardware and software structures.
1.6	Deployment Plan Description of deployment process.
1.7	Plan Presentation Formal presentation of the plan components for review and approval by team.
2	System Components Hardware, Software, Manuals, and other physical components.
2.1	Server / Storage Server components.
2.2	Software Build Software components.
2.3	System Manuals and Specifications Software and Hardware aids.
3	CI/KR Catalog and Training A quantified catalog of infrastructure components loaded into the system in a format that allows for easy viewing and utilization of the elements of the components. Training to include knowledge transfer sufficient to allow for a sustaining role for agency resources.
3.1	Identify and Obtain Asset Source Information Federal, State, and Local sources identified and extracted.
3.2	Classify Asset List Based upon DHS and local profiles.
3.3	Catalog Compilation Creation of the catalog on the system.
3.4	Update of ACAMs Update of asset profile on DHS system.
3.5	Training As required for knowledge transfer.
4	Threat and Hazard Baseline and Training A catalog of threat and hazard information and statistical quantification of threat/hazard profile. Training to include knowledge transfer sufficient to allow for a sustaining role for agency resources.
4.1	Baseline Item Compilation Creation of the list
4.2	Baseline Quantification Application of weights
4.3	Publication Reporting structure
4.4	Training As required for knowledge transfer.
5	Risk Baseline and Training A memorialized risk baseline study including recommendations and finding for the associated RDSTF. Training to include knowledge transfer sufficient to allow for a sustaining role for agency resources.
5.1	Establish Baseline Metrics Statistical Metrics

Attachment (3)

SCHEDULE OF DELIVERABLES (Continued)

5.2	Perform Risk Analysis	Analysis of factors
5.3	Develop Recommendations	Formalize findings
5.4	Risk Analysis Review	Meeting
5.5	Training	As required for knowledge transfer.
6	System Delivery	System Acceptance
6.1	Finalized Formal Acceptance	System Acceptance
6.2	RDSTF Acceptance	System Acceptance