HOUSTON HOUSING AUTHORITY
SPECIAL BOARD OF COMMISSIONERS MEETING
NOVEMBER 6, 2024

**Houston Housing Authority Central Office
2640 Fountain View Dr.
Houston, TX 77057**

HOUSTON
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SPECIAL BOARD OF COMMISSIONERS MEETING
WEDNESDAY, NOVEMBER 6, 2024
3:00 PM
Houston Housing Authority Central Office
2640 Fountain View Drive, Houston, TX 77057

AGENDA

I. Call to Order

II. Roll Call

III. Introduction of the Interpreters

IV. Public Comments (To Make Comments during the Public Comments Section – Please add your name to the sign-in sheet when you enter the Board Meeting)

V. New Business

    a. **Resolution No. 3831:** Discussion and/or take action to appoint Jennine Hovell-Cox as Interim President and CEO of the Houston Housing Authority

    b. **Resolution No. 3832:** Consideration and/or take action to authorize the Interim President & CEO to purchase network security hardware and software in the amount not to exceed $331,096.28.

VI. Convene to Executive Session to deliberate:

- Legal issues in accordance with Section 551.071 of the Texas Government Code
- Real estate matters in accordance with Section 551.072 of the Texas Government Code

VII. Reconvene in Public Session

VIII. Adjournment

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REQUEST FOR BOARD AGENDA ITEM

1.   Brief Description of Proposed Item

Discussion and/or take action to appoint Jennine Hovell-Cox as Interim President and CEO of the Houston Housing Authority.

2.   Date of Board Meeting: November 6, 2024

3.   Proposed Board Resolution:

Resolution: Authorizing the Houston Housing Authority Board of Commissioners to retroactively appoint Jennine Hovell-Cox as Interim President and CEO of the Houston Housing Authority from October 29, 2024 onward. The Interim President and CEO shall be authorized to perform such duties as promulgated in Article III, Sections 4 and 9 of the Amended and Restated Bylaws of the Houston Housing Authority (Adopted January 21, 2014). In addition, the new Interim President and CEO will be automatically appointed as Director/Officer of all HHA Affiliates in the same capacity as the previous President and CEO.

6.   Approval of the Chairman of the Board of Commissioners:

Signature _____ Date: _____
Joseph Proler (Nov 1, 2024 16:45 CDT)   11/01/2024

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REQUEST FOR BOARD AGENDA ITEM

1.   **Brief Description of Proposed Item**

Consideration and/or take action to authorize the Interim President & CEO to purchase network security hardware and software in an amount not to exceed $331,096.28.

2.   **Date of Board Meeting:** November 06, 2024

3.   **Proposed Board Resolution:**

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the purchase of network security hardware and software in an amount not to exceed $331,096.28, pursuant to the Memorandum from Roy A. Spivey, Director Information Technology, dated November 1, 2024, to Jennine Hovell-Cox, Interim President & CEO.

4.   **Department Head Approval**   Signature _Roy Spivey (Nov 4, 2024 13:55 CST)_   Date:_____

5.   **Statement regarding availability of funds by VP of Fiscal Operations**

Funds Budgeted and Available ☐ Yes ☒ No   Source _____

VP of FO Approval   Signature _Michael D. Rogers_
Michael D. Rogers (Nov 4, 2024 13:34 CST)   Date: _____

6.   **Approval of Interim President & CEO**
Jennine Hovell-Cox
Signature _Jennine Hovell-Cox (Nov 4, 2024 12:11 CST)_ Date: _____

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MEMORANDUM

TO:	JENNINE HOVELL-COX, INTERIM PRESIDENT & CEO
FROM:	ROY A. SPIVEY, PMP
SUBJECT:	CONSIDERATION AND/OR TAKE ACTION TO AUTHORIZE THE INTERIM PRESIDENT & CEO TO PURCHASE NETWORK SECURITY HARDWARE AND SOFTWARE IN AN AMOUNT NOT TO EXCEED $331,096.28.
DATE:	NOVEMBER 1, 2024

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorize the Interim President & CEO or designee to extend security hardware/software purchases not to exceed $331,096.28.

BACKGROUND:

The landscape of network security is quickly evolving to combat the increasingly dangerous advances of modern-day hackers. Cyber security threats are increasing and remain a billion-dollar industry. On or about September 21, 2024, we were the victims of a ransomware attack; however, due to our current infrastructure, we were able to have our systems up and running without any business loss within 48 hours. On Wednesday, October 24, 2024, we received a call from Homeland Security Department CISA informing us that they had credible information that one of our computers was infected with ransomware malware. We were able to preempt another attack by removing the computer from production. This ever-increasing security threat requires us to update and procure more advanced cybersecurity hardware and software.

According to SPRINTO (https://sprinto.com/blog/ransomware-statistics/) ransomware statistics, 59% of organizations experience ransomware attacks. Of the organizations that had a cyber-attack in 2023, 25% of these organizations believe they avoided the attack, while 49% were hit one to three times. 26% were attacked four or more times in the year. 94% of organizations hit by a ransomware attack report that the cybercriminals tried to compromise their backup systems so they could not recover their data.

Since the cyber-attack of September 21, 2024, the information technology department has been working towards identifying the hardware and software security systems to enhance and\or replace our existing infrastructure. We have evaluated our existing systems and conducted extensive research to determine any deficiencies and correct them.

Our research found the following:

- Our current firewall was state-of-the-art at the time of purchase. However, new firewall vendors have come to market that exceed the quality of our current hardware.
- At the time our Endpoint computer protection was a leading provider. In evaluating other Endpoint providers, we found more efficient and effective Endpoint desktop protection.
- Once a hacker has gained entry into our network, there is no protection to stop them from remotely accessing other servers and desktops.

To combat these deficiencies and add security enhancement we have identified the following solutions:

- We have already purchased and are in the process of installing desktop and server two-factor authentications. Using a product by miniOrange, we are securing the local and remote connections to each individual server and desktop with two-factor authentication. This is an added layer over the Microsoft two-factor authentication we already have in place. Once applied this will stop any hacker from going beyond a single compromised computer should they breach our network.
- We will replace our current Cisco ASA firewall with two redundant FortiGate 401F Firewalls. These firewalls will be equipped with ForitAnalyzer, ForitDeceptor, and FortiClient VPN with two-factor authentication.
- We will replace our current Cylance Endpoint protection with FortiEDR Endpoint computer protection.
- We will install Halcyon ransomware protections that can recover any ransomware-encrypted files that occur while it is installed.
- We will procure and install Atera, which will allow us to monitor software installed on HHA computer systems.
- We will procure N-able Passport Document and move all information technology network documentation to this cloud location.

Below is a list and cost of the additional proposed security hardware and software:

	Security Hardware/Software	Cost
1.	FortiGate Firewall and subscriptions including FortiEDR	$176,735.28
	(3 Year Subscription for software products)	
2.	HalCyon (Three-Year Subscription)	$78,300.00
3.	Atera (Three Year Subscription)	$73,195.00
4.	Passportal (1-year subscript)	$2,866.00
	Total Cost for all packages	$331,096.28

The combination of these packages will provide redundant protection of the Houston Housing Authority's Network infrastructure.

PROCUREMENT

All products will be purchased utilizing contracts with the Texas Department of Information Resources (DIR). Texas DIR is a state government co-operative that provides for all state and local government agencies with access to state negotiated contracts for information technology related services including software, hardware and IT consulting. Contracts under Texas DIR meet HHA's procurement requirements and no further action is necessary.

RECOMMENDATION

Accordingly, I recommend that the Board consider this resolution, which states:

> **Resolution**: That the Houston Housing Authority Board of Commissioners authorizes the purchase of network security hardware and software in an amount not to exceed $331,096.28, pursuant to the Memorandum from Roy A. Spivey, Director Information Technology, dated November 1, 2024, to Jennine Hovell-Cox, Interim President & CEO.