General Manager Vaske, President Humphrey, and Commissioners,

Resolution 25-1420 departs significantly from the resolution the Committee to Cut the Waterfall Contract was led to believe would be presented to the Board of Water Commissioners. We were told that the Resolution would enable a search for alternatives to Waterfall Security Solutions by way of a Request For Proposal (RFP). Instead we find Resolution 25-1420 under the action item:

To affirm the use of Waterfall Security Solutions' unidirectional gateway technology to enable secure, one-way data transfer between the Operational Technology (OT) and Information Technology (IT) systems at Saint Paul Regional Water Services (SPRWS).

An earnest search for a cybersecurity vendor does not begin with an affirmation of the existing provider, especially when that provider was selected in a non-competitive procurement process.

We request that SPRWS honor its previous commitment and issue an RFP rather than an RFI. We also request the following changes to Resolution 25-1420:

- 1. Eliminate in its entirety, the fourth 'whereas' clause which begins with the words 'Waterfall Security Solutions'. It reads as a sales pitch for the company, and displays an open bias that would be prejudicial in the ultimate selection of a vendor.
- 2. Eliminate the 'resolved' clause, which affirms the continued use of Waterfall's product. This clause is unnecessary because the Waterfall contract will remain in place regardless of affirmation. It is also biased in its ingratiating language. Please replace it with a neutral and final whereas clause that reads: WHEREAS, the current one-year cybersecurity contract with Waterfall Security Solutions, scheduled to expire on October 1, 2025, has been automatically renewed absent notice of termination; now, therefore, be it
- 3. Replace the 'further resolved' clause with a single resolved clause that reads: **RESOLVED**, that the Saint Paul Board of Water Commissioners directs staff to initiate a formal Request for Proposal (RFP) on or before October 12, 2025 to identify and consider alternative solutions that meet our functional and technical requirements along with our social justice values. Staff will provide a recommendation at the January 2026 meeting for the board to consider.

Sincerely,

Mike Madden,

for the Committee to Cut the Waterfall Contract

## **Statement on Waterfall Security Solutions**

September 4, 2025

Waterfall Security Solutions (Waterfall) is a company headquartered in Rosh Ha'ayin, Israel. On October 1, 2024, it entered into a contract with Saint Paul Regional Water Services (SPRWS) to provide cybersecurity for the water department's computer system.

Our first contact with SPRWS was on May 19, 2025. In a letter to the Board of Water Commissioners, we named Israel's apartheid history and its current genocidal assault on Gaza as reason for termination of the Waterfall contract.

On July 19, 2025 we followed up with a critique of the procurement process undertaken in the selection of Waterfall. We found the non-competitive process to be unwarranted, and lacking in rigor.

Unfortunately, due to inaction of the Board, a required 60-day notice of termination was not issued, and the one-year contract, set to expire on October 1, 2025, was allowed to auto-renew.

We appreciate the Board's recent interest in this issue. We support the issuance of a Request For Proposal, and a search for a new cybersecurity vendor.

The non-violent strategy of economic isolation was successful in forcing South Africa to dismantle its system of apartheid. According to Richard Knight of the African Activists Archive Project at Michigan State University, by the end of 1989, 26 states and over 90 cities had taken some form of binding economic action against South Africa. Many cities used selective purchasing policies, whereby preference in bidding on contracts was given to companies that did not reside in, or do business with, South Africa.

The dire situation in Gaza and the Occupied Palestinian Territories requires similar action today. Under the Genocide Convention, contracting parties, of which the United States is one, have an affirmative obligation to prevent genocide. It is not an obligation that is specifically assigned to Congress, the State Department, or even the White House. Indeed, by providing weapons to Israel, blocking UN Security Council resolutions intended to restrain Israel, and hosting rather than arresting the criminally indicted Prime Minister Benjamin Netanyahu, the federal government has utterly failed in its legal responsibility to prevent genocide, and should properly be considered complicit in genocide.

In the dark shadow of this failure, we assume the moral responsibility to prevent genocide. As part of that responsibility, we call upon the City of Saint Paul to refrain from economic cooperation with any entity complicit in, or profiting from, apartheid or genocide. In particular, we call upon SPRWS to find an alternative to Waterfall as its cybersecurity vendor.

We also note worrisome statements made by the founder and CEO of Waterfall, Lior Frenkel. In an interview with International Focus Magazine, Mr. Frenkel had this to say about his personal history and his company:

"I started coding when I was 8 and started hacking systems for fun, because, you know, it's fun. I started getting paid for my hobby when I was a teenager, like 16 or 17. Then I went to the Israeli Air Force and I was there for about 6 years doing technology and the intelligence part of the business. I finished my service, and I founded a company that was doing offensive cybersecurity for the Israeli Government. Really fun stuff. That was a lot of fun."

Israel is acknowledged to be a leader in the development of spyware and other intrusive surveillance technologies. The most notorious, Pegasus, has been used to surveil, detain, and sometimes kill dissidents, journalists, and human rights activists. Compromised phones have also been used by Israel to geolocate individuals algorithmically targeted for assassination by aerial bombardment, with predictable results for innocent bystanders. It is disconcerting that a company with a history of "doing offensive cybersecurity for the Israeli Government" should be allowed entry into SPRWS computer systems that hold sensitive data on water customers in the City of Saint Paul and the thirteen surrounding suburbs that receive SPRWS water and services.