

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON GOVERNMENTAL OPERATIONS

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B E F O R E:  
BEN KALLOS  
Chairperson

COUNCIL MEMBERS:

Steven Matteo  
Mark Levine  
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## A P P E A R A N C E S (CONTINUED)

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CHAIRPERSON KALLOS: Good morning.

Welcome to the Committee on Governmental Operations hearing on Fiscal 2015 Preliminary Budget and the Preliminary Mayor's Management Report. My name is Ben Kallos. You can tweet me @BenKallos and I'm the chair of the committee. I'd like to introduce my colleague, Council Member Matteo from Staten Island. I'd like to take a moment to thank my Principal Financial Analyst, John Russell; my Policy Analyst, Tim Machesov [phonetic] and my Committee Counsel, David Seitzer.

Today we will hear from seven agencies that carry out core functions of our city, from fighting our legal battles to carrying out our elections. This committee will review their financial plans, budget proposals, performance measures and operational issues to aid them in efficient and effective functioning. The agencies that will testify today are the Financial Information Services Agency; Office of Payroll Administration; Board of Elections; the Law Department; the Department of Citywide Administrative Services; the Department of Records and Information Services; the Office of

Administrative Tax Appeals and the Community Boards, after which the general public will have an opportunity to weigh in.

We are here as a City Council Committee to provide support for our agencies, oversee them when necessary and to eliminate corruption and waste to make sure that every penny of our \$70 billion budget gets spent on our city's 8.5 million residents. This hearing gets to the heart of what the Committee on Governmental Operations is tasked with doing, which is to help ensure that the government works seamlessly and transparently for all New Yorkers and I'm happy to be here today. First off, we will hear from the Financial Information Services Agencies from the first Deputy Executive Director, Rose-Ellen Myers and the Office of Payroll Administration's First Deputy Executive Director, Alexandra Fisher. Welcome.

[Pause]

CHAIRPERSON KALLOS: Just by way of background for those in the audience and watching and streaming, FISA controls {pause in tape} functions and operations for the City's payroll, accounting and purchasing systems, managing the

citywide Financial Management System, FMS,  
generates and distribute... [background voice] Hm?  
Thank you. Generates and distributes reports for  
accounting and budget oversights and provides  
online access to budgetary or related data for use  
by city managers and others. FISA's proposed  
budget for Fiscal Year 2015 totals \$9.7 million,  
including Personnel Services funding of \$45.1  
million to support 456 full-time positions.

The Office of Payroll Administration is  
also responsible for the distribution of payrolls;  
the accounting for payrolls; administration of  
payroll deductions; check distribution services;  
maintenance of integrity and accuracy of the  
payroll management system and supporting the  
development implementation of that payroll  
management system and in full disclosure, that's  
where I get my check from. In its proposed budget  
for Fiscal Year 2015, it totals \$27.7 million,  
including Personnel Services funding of \$16.2  
million to support 203 full-time positions.

During today's hearing we'll examine  
various aspects of both agencies' budgets and  
discuss the operations and upkeep of several

citywide IT systems, including FMS, the City's Financial Management System; CityTime, the City's timekeeping system; NYCAPS, the City's human resources database and the Payroll Management System. Please proceed with your prepared remarks whenever you're ready.

ROSE-ELLEN MYERS: Morning. My name is Rose Ellen Myers. I'm the First Deputy Executive Director of the Financial Information Services Agency. FISA's Executive Director position is currently vacant, so I'm handling the responsibilities of the day to day operations of the agency.

The portion of the Mayor's Preliminary Budget that pertains to FISA will allow it to maintain its current levels of service. The budget provides FISA with the resources it needs to support the citywide financial payroll, human resources and timekeeping applications, which it maintains for city officials who utilize them to carry out their charter mandated activities related to budgeting, financial planning, accounting, procurement, payroll pension and personnel functions. FISA provides services to various



2 entities through the operation and maintenance of  
3 major information systems such as the Payroll  
4 Management System; the Financial Management System;  
5 the Pension Payroll Management System and the New  
6 York City Automated Personnel System and CityTime.

7 FISA provides technical expertise and  
8 support primarily to the Office of Management and  
9 Budget, the Office of the Comptroller; the Office  
10 of Payroll Administration; Labor Relations and the  
11 Department of Citywide Administrative Services.

12 FISA ensures citywide system access and provides  
13 technical assistance to all agencies processing  
14 transactions in FMS, PMS, PPMS, NYCAPS and  
15 CityTime.

16 Today, the systems that FISA supports  
17 are all implemented and utilized by tens of  
18 thousands of users in the performance of their  
19 duties on behalf of the people of our city.

20 The Financial Management System  
21 supports the base functions required of the  
22 citywide budget and accounting system. FMS  
23 processes [background voice] data for inclusion in  
24 the City's Financial Plans, Budget, Comptroller's  
25 Annual Statements and all required tax reports. In

Calendar Year 2013, FMS generated approximately 709,000 disbursements valued at approximately \$45 billion.

FISA would like to report a positive trend toward greater usage of Electronic Funds Transfers by vendors and other payees receiving payments from the city. In Calendar Year 2010, approximately 41 percent of the city's total disbursements were made using EFT. By the end of 2011, that percentage had reached 57 percent and during 2013, the EFT percentage grew higher still to 69 percent. This trend toward greater use of EFT is due to a number of complementary initiatives such as City legislation, which makes EFT the preferred method of payment by agencies, a nominal paper check fee that has raised over \$1 million to date for the city since the end of Fiscal Year 2011 and aggressive vendor enrollment activities.

FISA, working with the Mayor's Office of Contract Services and DCAS, completed a set of procurement improvement initiatives. The initiatives underway include the deployment of an automated and standardized procurement process,

2 self-service vendor commodity enrollment and  
3 electronic order processing for selected contracts.

4 FISA, working with the Office of the  
5 Comptroller, completed initiatives to improve  
6 financial and tax reporting capabilities. The  
7 initiatives include the deployment of the 1042-S  
8 tax reporting and the automated generation of  
9 additional components of the City's Annual  
10 Financial Report.

11 The Debt Management System is a custom  
12 built application for the City of New York that is  
13 used by investment banks, bond counsel and City  
14 employees. The application is the official  
15 repository of data pertaining to debt issued by New  
16 York City and certain other debt issuing  
17 authorities. The DMS application includes over 100  
18 years of historical data. FISA completed the  
19 initial implementation and continues to maintain  
20 the application and apply enhancements as  
21 prioritized by DMS stakeholders. Enhancements  
22 currently underway include the creation of new  
23 reports and upgrades to the client software.

24 The Payroll Management System is the  
25 computerized payroll system used for producing the

City's payroll. PMS processes over nine million payments annually by running over 300 pay cycles per year that produce payrolls valued at \$28 billion. FISA is currently working on several initiatives to move non-payroll functionality out of the Payroll Management System as part of the project to replace it.

The Pension Payroll Management System is used for producing payments to New York City retirees. For Calendar Year 2013, it produced over 3.7 million payments by running over 180 pay cycles for a payroll valued at approximately \$13 billion. FISA manages the distribution of retiree checks, 1099 forms and EFT quarterly statements to pensioners.

NYCAPS is a citywide human resources and benefits system which processes transactions for City employees. In the past year, the NYCAPS application was expanded in several areas. First, the E-Hire functionality was enhanced in conjunction with NYC.Gov to present an easier to use interface to allow applicants to find job opportunities within New York City government. Working with the Department of Education, the

2 remaining department populations continue to be  
3 rolled into NYCAPS. Since last year, the  
4 paraprofessional school-based hourly support  
5 employees were converted. The Per Diem teachers  
6 will be converted in May and the Per Session  
7 teachers and custodians in the fall, and this will  
8 complete DOE's integration into NYCAPS.

9 And lastly, FISA and the Office of  
10 Labor Relations continue to work on the other  
11 systems which support the processing of retiree  
12 benefits and plan on converting them into NYCAPS.

13 The CityTime system is a unified and  
14 automated timekeeping system, which interfaces with  
15 the City's Payroll Management System, to support  
16 accurate time and attendance records and payroll  
17 calculations. At this time, approximately 161,000  
18 employees across 66 agencies and 127 collective  
19 bargaining units have been deployed on CityTime.

20 FISA is on target to meet the  
21 objectives set forth in the FISA Board Resolution  
22 of June 2011. That resolution called for replacing  
23 20 consultants with City employees per year.  
24 FISA's goal is to reduce CityTime consultant head  
25 count to around five by July of 2014.

2 FISA is working with the Department of  
3 Information Technology and Telecommunications with  
4 data on job postings for its Open Date website.

5 FISA also provided the New York City Comptroller's  
6 Office with payroll contract and payment data for  
7 the Comptroller's Checkbook 2.0 website. We  
8 continue to support their efforts as they design  
9 additional components of their Checkbook site.

10 FISA's staffing for Fiscal Year 2014  
11 and 2015 is an authorized 436 and 456 employees  
12 respectively. The total January Plan budget  
13 allocation for FY '15 is \$99 million; \$45 million  
14 for Personal Services and \$54 million for Other  
15 Than Personal Services. Thank you.

16 CHAIRPERSON KALLOS: Thank you.

17 ALEXANDRA FISHER: Good morning. My  
18 name is Alexandra Fisher. I'm the First Deputy  
19 Executive Director of the Office of Payroll  
20 Administration. Our agency Executive Director slot  
21 is also vacant at this time and I am handling the  
22 day to day operations.

23 The portion of the Mayor's Preliminary  
24 Budget that pertains to OPA will allow OPA to  
25 maintain its current levels of service. The budget

provides OPA with the necessary resources to support employee and retiree payrolls, including the management and reconciliation of the City's payroll bank accounts. In furtherance of its mission, OPA maintains and enforces uniform payroll policies and procedures; coordinates payroll matters among central agencies including the Comptroller's Office, DCAS, OLR, OMB, Finance and Law; ensures the continued security, integrity and effectiveness of the City's payroll system, as well as compliance with requirements of federal, state and city taxing authorities, while using technology to the greatest possible advantage in support of its operations.

The following operational divisions carry out much of the activity related to the core mission of OPA. OPA Payroll Operations: OPA manages the payroll check and direct deposit distribution to City agencies. In Calendar Year 2013, over nine million payments were made to active City employees. Over seven million of these were direct deposit payments and over one million were paper checks. This reflects a direct deposit participation rate of 80.47 percent. OPA also

manages the movement of funds for 18 payroll accounts. In addition, OPA manages the retiree payroll distribution for the pension system. In Calendar Year 2013, over 3.6 million payments were made to City retirees. Just over three million of these were direct deposit payments and over 625,000 were paper checks. This reflects a direct deposit participation rate of 84 percent.

Use of direct deposit is promoted by OPA. Toward that end, the agency partners with seven financial institutions in the "Free Checking with Direct Deposit" initiative. Paper checks, stop payment notices and check replacements are processed by OPA. In Calendar Year 2013, 5,733 paper checks were replaced.

As a fiduciary, OPA is responsible for reporting wages, pension distributions and withholding tax information to federal and state taxing authorities for the City's employer entities. These entities include the City, the New York Housing Authority and the New York City Municipal Water Finance Authority. These entities also include the New York City Retirement System



Pension Trust and the New York City Retirement System Trust.

OPA ensures the City complies with ordered deductions that have been served upon City employees. Some of these ordered deductions include child support, Internal Revenue Service tax levies/repayment agreements, credit or garnishment orders, higher education loan orders and national medical support notices. OPA is responsible for collecting and remitting City employees' voluntary payroll deductions and data, including union dues, life insurance premiums and political dues to internal and external entities.

The City's Commuter Benefits Program is administered by OPA. The expanded transit benefit program offers eligible employees the opportunity to use pre-tax and post-tax earnings to cover certain public transportation costs throughout the New York Tri-State area. As of the end of February 2014, more than 54,000 City employees were participating. During 2014, the program will be adding the Premium MetroCard to the existing transit benefit options. The Premium MetroCard is an annual Unlimited Ride MetroCard that is accepted

wherever the 30-day Unlimited Ride MetroCard is accepted.

OPA Citywide Systems Support Services:

this division's mission is to maintain and provide citywide agency support and training for use of OPA citywide systems, as well as support for use of internal OPA systems used by OPA's Payroll Operations Division. OPA is responsible for the business addressed by eight major citywide systems covering payroll, pension and timekeeping functions. These systems include PMS, the Payroll Management System; Pension Payroll Management System; Workers Compensation System; CityTime; City Human Resources Management System; Replacement and Correction System for W-2s; Welfare Benefit Annuity System and EFORMS/ESTUBS. In addition to maintaining and ensuring that these systems meet business needs, OPA also provides support and help desk functions. This unit addresses agency questions and issues and disseminates information pertaining to OPA citywide systems.

OPA's responsibilities cover a broad range of activities including business analysis requirements gathering, validating payroll results,

data assurance for tax filings and troubleshooting system business issues. OPA assesses and makes system update recommendations based on changes to over 180 union agreements, as well as legislative or other required business changes.

An important function of OPA's support services division is its proactive agency outreach. This approach focuses on assisting agencies with correcting transactions, recommending business process changes and communicating system updates to the user community. OPA also engages agencies to participate in software testing to ensure software usability meets business needs.

Agency Budget Information: OPA has authorized full-time staffing levels of 203 for Fiscal Year '14 and 203 for Fiscal Year '15. OPA's total January Plan budget allocation for FY '14 is \$28.2 million; \$16.8 million for Personal Services and \$11.4 million for Other Than Personal Services. For FY '15, the January Plan budget allocation is \$27.7 million; \$16.2 million for Personal Services and \$11.5 million for Other Than Personal Services. I should note that agency payrolls are funded

through their respective budgets. OPA's budget includes only OPA staff. Thank you.

CHAIRPERSON KALLOS: Thank you, First Deputy Executive Director Alexandra Fisher and First Deputy Executive Director Rose-Ellen Myers. The core financial plan includes funding for CityTime, the web-based citywide municipal employee timekeeping system in both FISA's and OPA's budgets. Can you explain the roles of FISA versus OPA with regard to the operation and maintenance of CityTime and why are CityTime resources budgeted into agencies?

ALEXANDRA FISHER: Well, let me give it a shot, if I can. So OPA's business is payroll and making sure that City employees are paid and so we are the payroll/tax experts and it's the business of Payroll that is fed by the CityTime software, so our time... the individuals who work for the City enter their time to the CityTime, but the business aspects of how that all plays out is an area of expertise in our agency. FISA provides the system support, the updates, the programming. They maintain the systems, they back up the systems and

the data resides on their system and then we work closely on all of that.

CHAIRPERSON KALLOS: Thank you. How close are we to fully implementing CityTime?

ROSE-ELLEN MYERS: CityTime is fully implemented in so far as all the functionality that has been defined today has been billed. The question of other agencies who haven't... who don't participate in CityTime now; is that what you're referring to?

CHAIRPERSON KALLOS: Sure. What other agencies could we do; could the New York City Board of Elections join CityTime?

ROSE-ELLEN MYERS: Absolutely.

CHAIRPERSON KALLOS: Thank you. In June of 2011, an agreement was reached between the Comptroller and the Mayor's office, which calls for a gradual transfer of the management of the system from outside consultants to City employees and all 83 consultant positions will be phased out or replaced by City employees. Can you give a status update on the plan to convert CityTime outside consultants to City employees?

ROSE-ELLEN MYERS: Uhm...

CHAIRPERSON KALLOS: [interposing] I...  
I know...

[crosstalk]

ROSE-ELLEN MYERS: It's...

[crosstalk]

CHAIRPERSON KALLOS: You mentioned it  
in your testimony.

ROSE-ELLEN MYERS: Yeah, we are on  
track to fulfill the commitment in that agreement.  
We have been converting at least 20 consultants  
into City employees every year. We continue to be  
on track for this year as well.

CHAIRPERSON KALLOS: Do you know what  
cost savings have been associated with those  
consultant conversions?

ROSE-ELLEN MYERS: I do and as soon as  
we find the page we will let you know.

[Pause]

ROSE-ELLEN MYERS: I don't quite get  
where the... [background voices] I can even read  
this number with my glasses. Yeah, right now we  
have saved \$4.6 million.

CHAIRPERSON KALLOS: That is amazing,  
great news, so taking our consultants and

converting them into City employees for just 83 has saved \$4.6 million?

ROSE-ELLEN MYERS: Yes.

CHAIRPERSON KALLOS: Thank you.

That's amazing. Have you identified other opportunities to convert outside consultants to city employees within your respective agencies?

ROSE-ELLEN MYERS: We are doing this actually in all of our projects now. As we roll in maintenance mode, we convert from consultant into City heads and that's... it's just an ongoing FISA strategy and as we convert consultants into employees, we do that at a smaller number because we're in a maintenance mode where we need less people to keep the system going.

CHAIRPERSON KALLOS: I think for a final hearing, I'd love to hear a plan that you may have and how many people and what your projection is on how to do it 'cause \$4.6 million in cost savings is incredible and that is a lot of money we'll be able to put towards other uses. Last year, FISA identified a major budget surplus of \$9.1 million and a year in surplus of \$3.4 during FISA's budget hearing last year. The Director

testified that he anticipated a similar budget surplus for Fiscal Year 2014. Can we expect a budget surplus for Fiscal Year '14 and can we estimate FISA's Fiscal 2014 team budget surplus?

ROSE-ELLEN MYERS: Yeah, we will probably have some surplus. We're in the process of calculating what that will be.

CHAIRPERSON KALLOS: Okay, thank you for being responsible and making sure that there is a surplus. I'd like to turn it over to my colleague, Council Member Matteo.

COUNCIL MEMBER MATTEO: Thank you, Chair. So in your testimony, Miss Fisher, you talked about seven million were in... City employees were in direct deposit by 1 million... or over a million were by check. My first question is can you tell me how much it is to issue paper checks compared to direct deposit obviously?

[background voices]

[Pause]

ALEXANDRA FISHER: Okay, so the general number is \$2.71 for the paper checks with the...

[crosstalk]

COUNCIL MEMBER MATTEO: Per check?



ALEXANDRA FISHER: Per check.

COUNCIL MEMBER MATTEO: And are you trying... is there an outreach to get the people who get checks to get into direct deposit?

ALEXANDRA FISHER: I'm sorry, outreach?

[crosstalk]

COUNCIL MEMBER MATTEO: Is there outreach or are we trying to get the million plus to go into direct deposit?

ALEXANDRA FISHER: Yes, we've done outreach. We put messages on our website. We put messages on the paper checks themselves. We certainly do. We speak to people through our various employees doing our forms and the like.

COUNCIL MEMBER MATTEO: Has there been a general consensus on a reason why people don't want to have direct deposit or...

ALEXANDRA FISHER: I'm not 100 percent sure. I think some of it is just habit and people being used to one way of doing things, but as we've indicated in the testimony, we do have the free checking initiative available so people can participate without too much concern.

COUNCIL MEMBER MATTEO: Alright well, anything that we can do to save money. I'm with Chair Kallos on that, so I'd appreciate it if you could just keep trying to get that other one million into direct deposit.

ALEXANDRA FISHER: Absolutely. We're on the same page.

COUNCIL MEMBER MATTEO: Thank you.

CHAIRPERSON KALLOS: Just want to echo my colleague's sentiments. We are committed to working with you to saving any costs we can and if direct deposit can save us money, we're on board for it and are looking for a way to enable you on that. The budget of both OPA and FISA include significant resources for many of the same citywide IT systems. Last year, the Executive Director, Robert Townsend, testified that in an effort to increase efficiencies and eliminate redundancies, the two agencies were working on a plan to co-locate. This is not the other sort of controversial co-location that's been in the news recently, but what is the status of the plan to co-locate FISA and the OPA, and in your opinion, does

it make sense to merge FISA and OPA and what are your thoughts?

ROSE-ELLEN MYERS: Well, let me talk to the co-location for a start. DCAS is currently in negotiation with the landlord at 450 33rd Street where FISA is located for both OPA and FISA so that we will be on two adjoining floors. So hopefully that lease will be completed sometime this spring.

CHAIRPERSON KALLOS: Thank you. The Capital Plan includes a FISA electronic data processing equipment lump sum project line for current year and out years with plan commitments totaling approximately \$73.6 million. Why is it a lump sum and would it be possible to tell us how that lump sum will be used in more specifics? And moreover, how can we track how these funds and these lines are used?

[Pause]

ROSE-ELLEN MYERS: We're...

[Pause]

ROSE-ELLEN MYERS: Yeah, that \$73 million is for an alternate data center plan that we had initiated last year, which is currently under review with OMB.

CHAIRPERSON KALLOS: So okay, just as a follow up, so the Preliminary Plan includes new funding for \$7.8 million in Fiscal Year '15 for an alternate data center, so...

ROSE-ELLEN MYERS: Wait, I'm...

CHAIRPERSON KALLOS: So that's the expense side? Okay.

[Pause]

ROSE-ELLEN MYERS: Right, right. That's for some improvements in the data center at 450 West 33rd Street, which we're working with OMB on the details of those dollars.

CHAIRPERSON KALLOS: And just for clarification, can you tell us about the alternate data center and why it's necessary?

ROSE-ELLEN MYERS: The systems that FISA runs need to remain pretty seamless in the event of a disaster, so it's a project to ensure that we can continue to run the payroll systems and the financial systems in the event something happens to the building or something...

CHAIRPERSON KALLOS: Okay.

ROSE-ELLEN MYERS: [interposing]  
Happens to Manhattan.

CHAIRPERSON KALLOS: Where is it located? Are you allowed to disclose that?

ROSE-ELLEN MYERS: I'd rather not.

CHAIRPERSON KALLOS: Fair enough. I'd like to turn it over to my colleague, Council Member Matteo.

COUNCIL MEMBER MATTEO: Thank you, Chair Kallos. So I want to go over the contract budget. FISA's Fiscal 2015 Contract Budget is about \$45 million per 75 contracts; OPA at about \$10.9 for 12. Can you talk about some of the major contracts that comprise the FISA and OPA's Contract Budget?

ROSE-ELLEN MYERS: Most of that is maintenance on the systems that we won.

COUNCIL MEMBER MATTEO: All... most of the contracts are for maintenance?

ROSE-ELLEN MYERS: Yes.

COUNCIL MEMBER MATTEO: And do you have... is there a process that... so there's no vendors included or do you select vendors for the maintenance or it's in-house?

ROSE-ELLEN MYERS: Most of what we do in terms of the development is in-house, but the

underlying applications and the databases we need to... and the hardware and software that run the systems we need to pay maintenance to the vendors.

COUNCIL MEMBER MATTEO: So when you do have to put out a contract for a vendor, how many or do you use Minority and Women Business Enterprises and is there a percentage?

ROSE-ELLEN MYERS: Right. Everything we do is competitively bid; follows the city's procurement rules.

COUNCIL MEMBER MATTEO: Okay, thank you, Chair.

CHAIRPERSON KALLOS: In hopes of saving every penny that we can, in 2012, Local Law 18 requires the City to give the Council quarterly reports on significant cost overruns in capital projects. In the past year, have you identified any capital projects that have significantly exceeded its initial budget?

ROSE-ELLEN MYERS: No.

CHAIRPERSON KALLOS: That's really great work.

ROSE-ELLEN MYERS: We're working really hard at this.

2 CHAIRPERSON KALLOS: Thank you. Our  
3 goal is to work closely with you to make sure any  
4 time there's an overrun that the Comptroller's  
5 office and the Law Department and everyone else are  
6 fully engaged to make sure that we are spending  
7 exactly what we set out to spend. During last  
8 year's budget hearing, the Executive Director,  
9 Robert Townsend, reported that there was a need to  
10 replace the antiquated Payroll Management System.  
11 What is the status of the plan to replace the  
12 existing Payroll Management System and how much  
13 will it cost to develop and maintain?

14 ROSE-ELLEN MYERS: At the moment, we  
15 are continuing to do requirements gathering. As I  
16 testified, we are in the process of taking some of  
17 the functionality that existed within the payroll  
18 system that was non-payroll related and moving it  
19 into other applications so that we can get to a  
20 payroll system that is just payroll, which would  
21 enable us to replace it at the most cost-effective  
22 way that we can.

23 CHAIRPERSON KALLOS: Thank you. OPA's  
24 Fiscal 2013 actual expenditures totaled \$13.2  
25 million, while its Fiscal 2014 Budget totals \$28.2

million. Can you explain why the OPA's budget for Fiscal 2014 is considerably more than the agency's Fiscal 2013 actual expenditures and do you anticipate further surpluses for OPA in Fiscal Years 2014 or '15?

ALEXANDRA FISHER: With regard to the surpluses, I'll know better in the coming weeks I would say, and your first question was... I'm sorry.

CHAIRPERSON KALLOS: Can you explain any of the... why OPA's budget for Fiscal Year 2014 is considerably more than the agency's 2013 actual expenditures?

ALEXANDRA FISHER: Give me one second and I'll find that. I'd like to get... can I get back to you?

CHAIRPERSON KALLOS: Absolutely.

ALEXANDRA FISHER: I can back get to you.

CHAIRPERSON KALLOS: One other item from your testimony, TransitChek. I subscribe to it. I don't own a car. I think that in spite of the fact that it loses tax dollars that the City would be getting otherwise, I think it's an amazing



1 program and what we currently... your testimony  
2 says we have 54,000 TransitChek subscribers, while  
3 we still have about 350,000 City employees. How  
4 can I get every single City employee saving pre-tax  
5 dollars, saving money, using public transportation  
6 and just getting all those members of our... all of  
7 our employees onto TransitChek? How can we do  
8 that?  
9

10 ALEXANDRA FISHER: So what we've been  
11 doing most recently is we've conducted a group of  
12 forums for the various HR staff throughout the city  
13 to remind them of how the system works and how they  
14 can help ourselves and our contractor get more  
15 people to use it. They're developing a whole new  
16 marketing campaign with new posters and handouts  
17 and information and we also think that the addition  
18 of the Premium MetroCard, which is the annual one,  
19 may bring in some additional users, so we're trying  
20 various avenues with our vendor, a very aggressive  
21 marketing campaign we hope.

22 CHAIRPERSON KALLOS: But when I get the  
23 Premium Card and annual card and I lose it what  
24 will happen?  
25

2 ALEXANDRA FISHER: You'll be able to  
3 replace it quickly.

4 CHAIRPERSON KALLOS: That sounds great.

5 ALEXANDER FISHER: At no cost.

6 CHAIRPERSON KALLOS: Both of your  
7 agencies are doing such excellent work. Thank you  
8 for answering all of our questions and coming here  
9 ready and armed with all the answers. Do you...  
10 either of your agencies have additional testimony  
11 or things that we did not bring up that you'd like  
12 to present?

13 ROSE-ELLEN MYERS: Mm-mm, no.

14 ALEXANDRA FISHER: No.

15 CHAIRPERSON KALLOS: Okay, I'm going to  
16 recess the hearing until 11:15 for Board of  
17 Elections. Thank you again for your testimony and  
18 for joining us.

19 ROSE-ELLEN MYERS: Thank you.

20 [gavel]

21 [Pause]

22 CHAIRPERSON KALLOS: I now call the  
23 Governmental Operations Committee back to order.

24 [gavel] We will now hear from Michael J. Ryan,  
25 Executive Director of the Board of Elections. The

Board is responsible for conducting all elections in the City of New York. Its Fiscal 2014 Budget totals 143.3 million including 72.8 million in Personal Services funding to support 346 full-time positions and over 36,000 poll workers. The Board's Fiscal 2015 proposed budget of \$76.5 million, which is far less than the current year, is likely to be modified to meet the Board's changing needs. Because of the nature of elections, the BOE's budget varies significantly from year to year based on several variables including the type of election, implementation of new voter laws, special elections and other changes in election schedules, many of which occur mid-year. In today's hearing we will examine the Board's budgetary needs for upcoming fiscal year and discuss reforms to the Board's operations that potentially lead to cost savings. We will find out how the Board is preparing for upcoming elections this year and what it is doing to improve Election Day operations. We will also take a moment to follow up on our last hearing, which was at the end of February and hoping that we will have responses to the DOI investigation, as well as the

Preliminary Compliance Plan. With that said, welcome to Mike Ryan, the Executive Director and please present your prepared remarks whenever you're ready.

MICHAEL RYAN: Thank you, Chair Kallos and members of the City Council's Committee on Governmental Operations. As always, I want to thank this committee for giving us the opportunity to be here before you on behalf of the Board of Elections in the City of New York. My name is Michael Ryan and I am the Executive Director of the Board of Elections. Seated next to me at my left is Dawn Sandow, the Deputy Executive Director. In addition, staff members that are present here today are the Administrative Manager, Pamela Perkins; General Counsel, Steven Richman; Deputy General Counsel, Raphael Savino; the Acting Finance Officer, Gerald Sullivan; Director of Communications and Public Affairs, Valerie Vazquez; Director of Electronic Voting Systems, John Naudus; Director of Management Information, Steve Ferguson; Chief Voting Machine Technician, John O'Grady; Coordinator of Elections Day Operations, Debra Leible; Coordinator of Customer Service, Daniel

Lavelle; Coordinator of Ballot Management, Tom Sattie; Training Specialist, Steven Thompson, Acting Chief Contracting Officer, John Luisi and I think there are some employees back the Board of Elections carrying on the rest of the day's operations.

Before I begin, I would like to address the... before I begin addressing 2015, I would like to address the budgetary shortfall in the Board of Elections for 2014. The Board greatly appreciates the additional \$7 million allocated by the Mayor's Preliminary Budget. The Board has unfunded needs for FY '14 including an estimated interagency telecommunications deficit for the Department of Information Technology and Telecommunications of approximately \$630,000. In addition, the program to eliminate the gap, also known as the PEG, is an estimated \$8.8 million for Other Than Personal services. That is not achievable and we urge the Council to remove this PEG from the current budget. For each of the past 12 years, a budget PEG has been imposed upon the Board and has never been achievable. This is a clear demonstration of chronic and sustained budgetary underfunding. This

consistent underfunding has placed the Board in financial jeopardy and has negatively impacted the Board's ability to effectively and efficiently conduct elections. As a result, the Board has been forced to rely excessively on overtime payments to otherwise underpaid staff. As we move forward in this process, I urge the Mayor and the Council to work with the Board with a view towards right sizing our staff needs and to provide a fair and equitable level of compensation for employees of the Board at all levels.

In order to fulfill its constitutional and statutory mission successfully, the Board is requesting that the City provide sufficient additional resources for Fiscal Year 2015. The Mayor's Preliminary Budget for FY '15 contains a projected shortfall of at least \$23.8 million in current PS funding, \$14.25 million in new PS funding and an additional \$16.84 million in OTPS funding including the \$8.8 million in another itemized PEG reduction. This \$54.5 million shortfall represents 40 percent of the Board's Fiscal Year 2014 Budget. In addition, the Board is in the process of evaluating the implementation of

an electronic timekeeping system. It is anticipated that the Board will request a budget modification during FY '15 to procure an electronic system upon the decision of the commissioners as to which vendor would provide such services.

The FY '15 shortfall is disconcerting, as the Board must conduct both a Primary and a citywide General election when New York City voters will cast ballots for Governor, State Attorney General, State Comptroller and all members of Congress, the State Senate and the Assembly within the City of New York and it's worth noting that the June Primary will contribute to the shortfall in the FY 2014 Budget. Virtually all of the Board's duties, responsibilities and activities are prescribed by federal, state and local law. The Board does not have the discretion to postpone or cancel an election based on inadequate funding.

The Board urges the City to re-appropriate for FY '15 the approximately \$2.5 million remaining from the Help America Vote Act, also known as HAVA, grant funds provided by the federal and state governments that are eligible for reimbursement. These grants enable the Board to

improve poll site accessibility, both on a permanent and temporary basis, as well as conduct enhanced poll worker training and public education activities.

Poll workers, as a result of an Internal Revenue Service, IRS, determination, must be treated as employees of the City of New York. Consequently, such employees are compensated from the PS allocation. The FY '15 allocation for poll workers is \$14.7 million. The Board estimates that this is \$7.9 million less than the \$22.6 million needed to train and deploy approximately 36,000 poll workers for each currently scheduled election event during FY '15, and there is an attachment to our testimony that details those issues.

Please note that the Board will continue its fiscally responsible practice to combine election districts where legally permissible and assign a reduced number of poll workers accordingly. State election law severely constrains the Board's ability to combine election districts in the scheduled elections during FY '15. In addition, gubernatorial elections historically



have the second highest voter turnout during the four-year election cycle.

In FY 2013 and FY '14, the Board retained a training consultant. Based on the recommendations of our training consultant, the Board implemented certain changes to the poll worker training program. Due to the compressed timeframe and the use of two vastly different voter systems, this vendor was very limited in the scope of recommendations that could be made and implemented for the poll worker training program. It is important to note that legislation authorizing the use of lever machines for the Primary and Run-Off Elections was not signed into law by the Governor until July 9th, 2013.

As a result of reviewing the vendor's recommendations, the Board has moved to the completion of a negotiated acquisition for the retention of expert election administration professionals. This vendor will be tasked with analyzing the Board's current training and Election Day practices and serve as consultants for the implementation of any recommendations. The consultants will assist in implementing best

practices from across the country, as set forth in the bipartisan Presidential Commission on Election Administration report titled, "The American Voting Experience," released in January 2014, as well as any other sources that may be recommended. The Board believes that bringing on election specific experts for a multi-year contract is the best way to move forward with the process of improving our poll worker training program. The Board recognizes the need for the implementation of such an initiative. Indeed, there has been significant public discourse regarding enhancement of the poll worker training program by the Board, advocacy groups, various legislative bodies and the Department of Investigation. As such, we are seeking the partnership of the Mayor and the City Council in helping the Board achieve this universally recognized goal. This necessary and ambitious undertaking is not without cost. Based upon preliminary estimates, it is anticipated that this process will occur over several fiscal years and total approximately \$1 million with an immediate impact of approximately \$250,000 for Fiscal Year 2015.

Given the dramatic changes in the conduct of elections imposed upon the voters and poll workers of the City of New York by federal and state law, it is vital for the Mayor to heed the Board's call to increase the compensation for all poll workers by \$100 for each election event. This increase in poll worker compensation last occurred in August of 2001 by Mayoral Executive Order more than 12 years ago. The time has long since passed for an increase. The Board recognizes that even with this increase, the compensation for poll workers will be, by no acceptable definition, exorbitant.

The case in support of this increase is clear. Poll workers are now required to work longer hours with additional responsibilities using the Electronic Voting System. With the enhanced testing standards already implemented for poll workers, such an increase is essential to enable the Board to recruit and retain qualified poll workers year after year. Several City Council members and the Asian American Legal Defense and Education Fund, AALDEF, have previously expressed support for this proposal. The Board urges that

the Council and the Mayor to place appropriate emphasis on just compensation for poll workers as they remain the frontline protectors of our democracy. The Board asks this Council to implore the Mayor to grant this increase effective immediately, and that is detailed in Attachment number two.

The current baseline funding for poll worker performance incentive of \$35 per poll worker is inadequate. The Board asks the Mayor and the Council to fund a fair and equitable \$100 performance incentive. To be eligible for this incentive, poll workers must attend appropriate training, pass the exam and work at least two elections per year. It should be noted that the performance incentive was \$100 in Fiscal Year 2011 when supplemented by additional City funding for the first year of implementation of the Electronic Voting System. The baseline funding remains at the unacceptable \$35 level. With this funding, the Board will continue to improve its program to retain qualified poll workers from event to event and help to ensure that all poll sites are staffed with trained and experienced poll workers during

1 elections. And it's not in my prepared testimony,  
2 but I'd also like to point out that in 2013, we did  
3 an analysis and in fact, approximately 60 percent  
4 of the poll workers that we utilize come from our  
5 recruitment drive and not from the individual local  
6 parties, so we have a higher ratio now of  
7 independently recruited poll workers than we do  
8 coming from the various party apparatus.  
9

10 The Board's Management System manages,  
11 maintains and develops and operates the Board's  
12 complex technology and data systems. Such systems  
13 are vital to enable the Board to meet its mandated  
14 responsibilities to the voters of the City of New  
15 York. Specifically, the Board is requesting  
16 \$500,000 in capital funding to procure a vendor for  
17 the continued development testing, documentation  
18 and implementation of the infrastructure for its  
19 Election Information System Mobile Applications  
20 Program during Fiscal Year 2015. We believe this  
21 is vital to voter outreach and we would hope that  
22 the City Council places appropriate emphasis on it  
23 as well. These applications will be used to  
24 support both Board operations, as well as  
25 information to the voting public. This will also

provide the capacity to address special situations and hopefully never repeated ones like Hurricane Sandy. Initial applications consist of Election Day poll worker for ElectionDayWorker.com; Poll Site Locator, which is already in use. That allows for the look up PollSiteLocator.com; Election Responder, which would be an enhancement to our Call Center and Election Day Management; Poll Worker Management and Election Night Results.

The Board is in the process of completing the installation of a 50 Megabit Ethernet Private Line, also known as an EPL, high-speed network at all Board facilities. I'm certain Chair Kallos knows more about that than I do. But in any event, this installation was made possible by a City Council addition to the Board's FY '13 Budget. EPL lines, like other forms of technology, require annual maintenance. The cost of such maintenance at current levels is approximately \$265,000. While the Board appreciates the Council's prior support enabling the Board to upgrade the EPL lines, it is now necessary to recognize the importance of funding the EPL maintenance in the Board's baseline budget.

I am pleased to state that the Board was the first non-Mayoral agency to comply with Section 1063 of the New York City Charter requiring webcasting and/or posting of digital video of the public meetings of the Commissioners. This provision of the City Charter was effective March the 3rd, 2014 and the Board recorded its March 4th, 2014 meeting and posted the video by close of business on that date. As an interim solution, the Board is digitally recording the weekly Commissioners meetings and posting them to the web via a You Tube channel. While this meets the minimum requirements of the City Charter, it does not provide the Board with the technology necessary to meet the ultimate aim of Section 1063 to webcast live where practicable. The Board requires funding to procure professional webcasting services to fulfill the Charter's goal. This will provide higher quality audio and video. Such webcasting services are more "user-friendly" and will provide the public with an ease of access to the meetings via video data files that can be appropriately archived and indexed. Simply put, interested persons will be able to search the database by

meeting date, subject matter keywords, search terms and the like. This requires an appropriation of at least \$35,000 for Fiscal Year 2015, consisting of an initial cost of \$10,000 and an annual service fee of approximately \$25,000. The annual service fee needs to be baselined as a recurring cost in FY '16 and in future years.

Virtually all of the Board's internal information systems utilize Microsoft software. The systems are vital to the daily operations of the Board. The Board must obtain Microsoft software licenses agency-wide to replace outdated software and operating systems that are no longer supported by Microsoft. Licenses for Microsoft Office, Exchange, SQL Server and operating systems require updates costing approximately \$400,000.

The number and types of Election Day staff and equipment transported by the Board has increased with the introduction of the Electronic Voting System. In addition to delivering almost 3,700 scanners to all poll sites, the Board transports to an increased number of monitoring teams and technicians and thousands of supply cards, ballot marking devices, privacy booths,



tables and chairs to more than 1,200 poll sites located throughout the city and that number typically approaches closer to 1,300 poll sites. For the FY 2015 elections, both the Primary and the General, the estimated cost to the Board for contracted equipment transportation and staff deployment transportation will be approximately \$401 million. The Mayor's Preliminary Budget allocates \$2.75 million for this need, leaving a shortfall of approximately \$1.35 million.

To supplement the legally required notices for the 2014 Election Cycle, the Board urges the City Council to support enhancing voter outreach efforts. Such efforts include additional advertisements in citywide and community newspapers at an estimated cost of \$300,000. The failure to do so will hamper the Board's ability to effectively reach voters with important election related information. The Board further urges the Mayor and the City Council to partner with the Board to encourage the Metropolitan Transit Authority to do its part and provide no cost public service announcements to the Board during various Election Cycles throughout the year. Such

advertising will reach millions of New Yorkers and subway stations on the trains and on the rolling billboards known as New York City buses. The Board stands for the proposition that all government entities should be working together to educate the voters and enhance the voting experience. If the Board remains alone in this endeavor, maximum effectiveness of voter outreach will never be realized. The Board further urges the Mayor and the Council to provide assistance in establishing public-private voter education endeavors and to utilize the disparate "bully pulpits" to assist in that regard. We believe that with the solid voice behind the Board that that dream will be realized. If all aspects of government work toward this common goal, the private sector and corporate entities that benefit greatly by calling the City of New York home will surely recognize the importance of these efforts and commit the resources necessary to partner with the Board and implement new and creative voter outreach programs.

The City Council allocated funds for the Board to acquire 450 reporting tablets. These tablets are distributed through Assembly District

monitors, also known as AD monitors, and field staff to electronically report issues at over 1,200 poll sites in quote "real time," and reduce if not totally eliminate the need for Board staff to transfer information. The tablets transmit incident reports and resolutions from AD monitors, voting machine technicians and other field staff directly to the Board's existing Call Center system. This streamlines the method of incident reporting, which previously relied on the inefficient telephone call in process. Additionally, the tablets alert staff to respond to poll site locations to rectify any situations in their assigned coverage area. The Board incurs a wide cost each year of approximately \$105,000. This cost for wireless service has not been funded in the Preliminary Budget for FY 2015. The use of tablets will continue to improve service to the voters. As such, the Board requests that this allocation be part of baseline funding.

The Electronic Voting System continues to evolve. As technology is ever changing, it is essential to provide expert training and support to key personnel including voting machine technicians,

1 VMTs, Electronic Voting Systems Programmers, also  
2 known as EVS programmers. Such training must be  
3 provided by the current vendor, Election Systems  
4 and Software, also known as ES&S. With each  
5 passing election, the Board reaches new levels of  
6 efficiency in preparing the poll site scanners and  
7 ballot marking devices. The Election Management  
8 System software and the voting equipment firmware  
9 are upgraded regularly. Such upgrades are mandated  
10 by the New York State Board of Elections  
11 certification process. The current upgrades are  
12 being undertaken with a view toward reducing ballot  
13 jams, providing technicians with more specific  
14 directional prompts during the machine set up  
15 process and adjusting the poll closing protocol to  
16 significantly reduce the delays associated with  
17 unofficial results reporting caused by the  
18 currently certified system. The Board urged ES&S  
19 to develop a process to allow the printing of  
20 election results tapes from the "backup" portable  
21 memory device. This change will allow for the  
22 removal and transport of the primary PMD from each  
23 scanner to the 76 police precincts throughout the  
24 city without being unnecessarily delayed by waiting  
25

for the results tapes to finish printing. This will significantly speed up the release of the unofficial results on election night. The State Board of Elections acted expeditiously upon this request and the process for certification is well underway.

The required enhanced voter training and support for the September Primary and November General Elections cost \$1.98 million, just shy of \$2 million. This necessary expenditure is a substantial reduction from the \$4.4 million cost in Fiscal Year 2013. This represents a \$2.56 million cost savings differential and has been accomplished via increased Board technical staff independence and a decreased reliance on vendor service in keeping with our theme of vendor independence. In addition, Dominion Voting Systems support and supplies for the general central ballot scanning system, which counts absentee, special, military and affidavit ballots, will cost \$230,000 for the September Primary and the November Generals.

The Board has identified three areas of operation within a poll site that require improvement to more efficiently meet the needs of

the Electronic Voting System environment. The Board staff, through its ingenuity, ability, knowledge and dedication, has developed a prototype known as the Voter Information Center Kiosk, affectionately referred to as VICKi. This single piece of equipment innovatively addresses three critical functions for poll site operations and since the software was developed entirely in-house, expansion is viewed as a reality down the road if we get the appropriate funding to do this project. These functions are poll worker attendance, efficient electronic replacement for the paper street finder books used to provide voters with their proper ED and AD and to assist voters who arrive at incorrect poll sites and a terminal to upload unofficial election night results.

The poll worker attendance module will allow the poll worker to scan their Notice to Work card, providing the Board with real time notification of the arrival of each poll worker at the assigned poll site and will eliminate the organized chaos that is the first thing in the morning at the various election sites and in the central office. This module will allow for the

proactive deployment of standby poll workers and eliminate the remarkably inefficient and somewhat chaotic system of phone call notification, upon which the Board must currently rely.

VICKi has been designed to allow two voters to access important information simultaneously. The design incorporates touch screens on both sides of the unit. The electronic street finder would allow the voter to enter their address and be informed using GPS technology if they are in the correct poll site and if not, provide the voter with printed directions to the proper poll site. Presently, this information is available on the Board's website. This system would provide the voter with the ability to get this information at every poll site when the information is needed most. At the close of polls, VICKi would become an election night reporting terminal, allowing the poll workers to upload the PMD and transmit unofficial election results directly from the poll site. That aspect would certainly require partnering with the State Board of Elections to ensure that we're doing that within acceptable rules and regulations. The Board will

utilize commercially available components including the Shoup Machine, also known as the lever machine, cabinets and Board staff to program and assemble VICKi. As VICKi has been developed entirely in-house, any necessary modifications and/or enhancements will be completed and implemented entirely by Board staff without reliance on expensive technology consultants or vendors. The final design will ensure that functions of VICKi will be in compliance with any requirements of the Americans with Disabilities Act.

The Board has examined various ways to bring technology into the poll site. It has been suggested by some that the Board should utilize hand-held tablets to meet the extensive technological needs at the poll site. For the reasons set forth below and other significant operational concerns, tablets would be an irresponsible investment of City capital funds. The utilizations of tablets would require the Board to rely on outside vendors to provide excessive wireless connectivity. The tablets would require the purchase of carts to securely store and safely transport these devices along with all peripheral



supplies. The Board has conducted a financial analysis and found the initial investment for the purchase of tablets and all the necessary additional equipment is approximately \$4.7 million. The same analysis shows that the initial investment for full implementation of VICKi if it is built exactly as the prototype is made is \$6.8 million; however, we look forward to partnering with the City Council, the Mayor's office and any other interested stakeholders to explore opportunities to drive that cost down so that we can ensure that we're spending the taxpayers' money as prudently, as wisely and as efficiently as possible.

VICKi will be equipped with a commercial grade wireless router that will enable each poll site to be an independent and secure hot spot under the control of the Board. A hot spot can service perhaps as many as 24 devices, but certainly 15 individual devices safely and securely. As such, the annual cost for wireless connectivity would be limited to approximately \$315,000, \$34.99 x 1,500 units x the six-month contract currently required under the appropriations contract that we're working with.

And that would be appropriated from the Board's expense budget with no additional per unit cost.

The utilization of tablets would require wireless connectivity costs for each device. The annual cost for wireless connectivity using tablets is under current contracting circumstances \$720,000,  $\$39.99 \times 3,000 \text{ units} \times \text{six months}$ , appropriated from the Board's expense budget, an increase of approximately \$400,000 over the cost of VICKi for wireless connectivity, and that would go up every time an additional device were added.

As the technological requirements of poll sites increase over the course of time, the wireless connectivity costs will balloon. The grand beneficiary of using tablets versus VICKi will be a contractual wireless service provider. The taxpayers of the City of New York will bear this unnecessary burden. To further illustrate this point, for each additional device required at the poll site in the absence of VICKi results in at least an additional \$360,000 annually and a cost that will only increase with the passage of time. In the event of State authorization of the

electronic poll books, the Board's preliminary estimate for wireless connectivity for these devices alone exceeds \$1 million annually. As is clearly demonstrated, any increased capital cost of implementing VICKi would be devoured by the unnecessary increase in expense money required to secure sufficient wireless connectivity with the utilization of tablets. Prudent budgeting demands this trade off of capital versus expense funds.

VICKi provides significant logistical advantages in critical and core areas. For example, in ease of use and set up for the poll workers, the potential opportunities to enhance the voter experience and more efficiently and effectively use technology in election management. Specifically, VICKi will be rolled into the poll site and require that the poll workers simply plug into an electrical outlet, open the doors and turn it on. Even as the use of tablets become more expansive in our society, they present a steep learning curve for the poll workers and the public.

VICKi allows us to further our vendor independent strategy, as the hardware incorporated into VICKi supports the use of any wireless

services available in New York City, unlike tablets, which are locked into a particular wireless carrier. The software utilized by VICKi was developed in-house by Board staff. As such, it will be sustained moving forward without incurring additional vendor expense.

With Council and Mayor funding this worthy initiative in NY '15, the Board anticipates being able to launch a small, but significant pilot utilizing 100 VICKi units during the 2014 election. Incorporating lessons learned from the pilot, the Board's goal is to deploy VICKi in all poll sites for 2015 and again, I stress the presently developed version of VICKi is a prototype and we would be looking to partner with everyone that's an available stakeholder to see how we can improve it and drive the cost down. It is estimated that this project will cost approximately \$6.8 million to build 1,500 units. Again, that's based on the prototype numbers only. This project should be funded in the City's capital budget. The Board estimates that the cost to maintain the wireless connectivity will be approximately \$315,000 annually.

During the Board's February 28, 2014 testimony of the New York City joint Government Operations and Oversight and Investigations Committee hearing, inclusive of the question and answer session that followed, the Council was advised that a serious and ultimately unsustainable circumstance present at the Board involving chronic and systematic underfunding. The Board is required to conduct elections when mandated by federal and state law or by Executive Action. The Board does not have the option to quote unquote "pick and choose" those elections that will be conducted versus those elections that will be set aside due to lack of funding. It must be emphasized that all elections are conducted with the same level of effort, whether the funding has been allocated or the Board has been shortchanged. While the Board has been historically a convenient foil for public criticism, it has, at the same time, been the victim of a funding scheme that seems to have been intentionally designed to quote unquote "cash starve" the agency to accomplish some unknown and ultimately inconceivable goal.

The time has long since passed for all aspects of government to work together with the Board of Elections toward the common goal of serving the voters of the City of New York as effectively as possible. While the Board readily recognizes those operational areas that need improvement over the course of time and works diligently to make such improvements, it is patently unfair to deprive the Board of the required resources on the one hand and then be critical of how we do our jobs on the other hand. Every agency in the City of New York requires proper funding levels and adequate resources to meet its core responsibilities and the Board is no different.

This chronic and systemic underfunding has led to pay inequality and an unnecessary strain on an overworked and underpaid dedicated workforce. Any qualified budget professional will acknowledge that an agency that is properly funded with the requisite amount of employees is financially more viable and productively more efficient than an agency that must consistently rely on overtime to meet its core responsibilities and statutorily

mandated deadlines. This unacceptable circumstance can no longer be tolerated. It is neither fair to the voters of the City of New York nor to the dedicated men and women who serve those voters.

Given the mandated tasks required of the Board and the statutorily imposed deadline that must be met, proper funding, equitable pay scales and sufficient staffing levels are required. For the purposes of comparison, there is approximately a 37 percent discrepancy between the average salary for the Board's employees and those at the... for example, the City Campaign Finance Board. For example, an administrative assistant at the Board of Elections is paid \$42,000 per year, while the same title at the CFB is \$61,000 per year. Similar disparities exist when examining the Boards of Elections in the surrounding counties. Today, clerks at the Board who performed many important functions receive compensation of approximately between \$22,000 and \$29,000 annually. In the adjacent counties of Westchester and Nassau, their clerks earn between \$36,000 and \$55,000 per year annually. And additionally, the starting salary for a voting machine technician, who is responsible for the

1 maintenance, testing and set up our Poll Site  
2 Voting System is only \$30,000 per year. Voting  
3 machine technicians in both Westchester and Nassau  
4 counties are paid \$73,000 per year. By act of  
5 Congress, the Board was required to implement an  
6 Electronic Voting System. This system is  
7 exponentially more complex than the old-fashioned  
8 vote lever machines. Deploying and maintaining the  
9 Electronic Voting System requires significant  
10 technological skills. As such, the Board is  
11 required to conduct extensive training of current  
12 employees and substantial recruitment of new  
13 employees with the skills necessary to perform the  
14 required tasks. In this era of ever increasing  
15 technological saturation, a failure to immediately  
16 address the financial and staffing needs of the  
17 Board will place the voting process in dangerous  
18 and unnecessary peril.

20           The foregoing is not simply the opinion  
21 of the Board, although it is strongly such. It is  
22 also the conclusion reached by the Presidential  
23 Commission Report, which states, "The country's  
24 elections officials find themselves second guessed  
25 and heavily criticized when elections run into



1 problems and praise is not forthcoming in  
2 comparable volume or at all when the process runs  
3 smoothly. At the same time," and here it comes,  
4 "these officials are all too often given inadequate  
5 resources with which to carry out this critical  
6 function. The Commissioner arrived at a renewed  
7 appreciate of how hard, diligently and effectively  
8 the vast majority of the country's elections  
9 officials work to provide well run elections and  
10 for voters and how difficult the job is."

12 The Board's dedicated public servants  
13 deserve a living wage that adequately reflects the  
14 technical skills required to perform their duties.  
15 It has become somewhat of an urban myth that  
16 individuals become employees of the Board of  
17 Elections to essentially retire and live from the  
18 independent wealth amassed from their salaries.  
19 This Council can be assured that nothing could be  
20 further from the truth. In fact, the employees of  
21 the Board remain grossly and unfairly underpaid for  
22 the services provided. While pontification  
23 regarding the importance of elections is often  
24 heard in many circles, unfortunately, the resources  
25 do not match the rhetoric. The Board urges the

Mayor and the Council to embark on this change process and bring the Board into a new era of adequate resources that will promote efficiency and enhance voter service. The Board estimates that an appropriation of at least an additional \$11 million would enable the Board to raise the salaries of all employees and thus bring them closer to their counterparts at the Campaign Finance Board and other Boards of Elections. The additional \$11 million reflects an increase of 37 percent to the Board's current PS allocation.

The Board has reviewed the current staff allocation and determined that the Board needs an additional 81 positions, which includes supervisory, clerical and office support positions, and this is simply a restatement of prior requests. We did receive 23 additional heads based on a request, a prior request for 104, so this is just a restatement of that. Most of these positions will be assigned to the borough offices, while a few will be located at the Board's Executive Office. Without funding for these new positions, the Board's ability to comply with the mandates and responsibilities imposed as a result of state and

federal legislation and the use of Electronic Voting Systems is seriously jeopardized.

Included among those new positions is a Borough Voting Systems Unit in each borough consisting of two supervisors and two support staff dedicated to managing the full range of activities including testing, pre-election preparation and post-election canvassing related to the Electronic Voting System. The Board projects that the total additional annual cost for these 81 positions is approximately \$3.25 million.

To conduct fair, honest and open elections is a fundamental right in our democracy. The constant underfunding for not just the Board, but for the elections administrators across the state and indeed the nation is alarming. Again, I will refer the Council to the bipartisan Presidential Commission Report, which provides detailed evidence for this pervasive problem. Any further fiscal constraints placed on the Board will render the ability of the Board to conduct effective elections in serious danger. Clearly, funding cuts must not be contemplated. Rather, those charged with fiscal allocation must do

1           COMMITTEE ON GOVERNMENTAL OPERATIONS           68  
2   whatever is necessary to provide the Board with  
3   sufficient resources and just compensation for the  
4   services provided. While the Board is sensitive to  
5   the fiscal challenges face by the City, the need of  
6   the Board to perform its duties must be met. The  
7   Board assures the Council that any allocated  
8   resources will be wisely utilized and the public  
9   trust will be our guidepost.

10                   For the Council's reference, please  
11   find Attachment three summarizing the Board's  
12   unfunded fiscal needs. It is respectfully trusted  
13   that this committee will take the time necessary to  
14   fully consider this testimony and the attachments.  
15   It is further trusted that upon due consideration,  
16   the Council will work closely with the Mayor and  
17   the Board to ensure that sufficient resources are  
18   allocated to guarantee the voters of the City of  
19   New York will be well served. As always, my  
20   colleagues and I are available to answer any  
21   questions that you may have and we are always  
22   available if anyone should need any further  
23   information, and I certainly appreciate this  
24   committee's attention and the allocation of time to  
25   make our case here today.

CHAIRPERSON KALLOS: Thank you for the 18 pages of testimony and the 45 minute reading. For the Executive hearing, if I could request an Executive summary and you can still submit the larger testimony. Thank you for all of your hard work on this; for the considerable testimony here today; for spending a lot of time before this committee and I expect it will continue. One of my colleagues has multiple committees on which he serves, so I'm going to recognize Mark Levine, council member for the Upper West Side, who has joined us and Council Member David Greenfield, who will ask some questions.

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman and thank you, Mr. Ryan, for your exhaustive testimony here this morning. I have to tell you, I've been a council member now for over four years. I've never heard quite testimony like this. I'm going to specifically refer to something that you said, which piqued my interest. "While the Board has historically been a convenient foil for public criticism, it has at the same time been the victim of a funding scheme that seems to have been intentionally designed to "cash starve," in

quotations, mind you, "the agency to accomplish some unknown and ultimately inconceivable goal." Wow. Those are some fighting words. Would you care to elaborate as to this grand conspiracy to go after the Board of Elections?

MICHAEL RYAN: I don't take them as fighting words, Council Member, and I'm sorry that you take it that way. What I'm simply trying to point out is that the way funding is done is there's always a budget restoration process. Now, that having been said, you know, we're typically made whole at the back end of the process, but what that doesn't allow is it doesn't allow us to do appropriate financial planning moving forward because we're always chasing the money so to speak, and that has created some... I will say some institutional laziness within the Board of Elections because they're always relying on the budget restoration process. I do believe that there were some quadrants within government, not necessarily the City Council, and certainly the City Council has been supportive, but there has been you know, Executive level you know, deficiencies...

COUNCIL MEMBER GREENFIELD: Okay.

[crosstalk]

MICHAEL RYAN: In terms of Executive budgets that have been passed in previous years and I think that that has hurt the Board of Elections and I certainly meant no insult intended to the City Council, and it really was done to stress my desire to work...

[crosstalk]

COUNCIL MEMBER GREENFIELD: And I... let me... Mr. Ryan, I don't mind insults. We're in the business of getting insults as council members, so that's okay. I just thought it was curious because I will say a few things. As you know, the Council has consistently called for more funding and in our budget recommendations throughout the years we've always said that we believe the Board of Elections needs more funding. In fact, at the last meeting that... the oversight where we had the Department of Investigations Commissioner here, I specifically said that I think that you need more funding. I just think that that's a little bit... a little bit out there, honestly. Some unknown, ultimately inconceivable goal... I mean I've never

1 honestly heard... I'm just being fair... I've never  
2 heard a government agency tell us before that they  
3 believe that there's a conspiracy effectively to  
4 have them fail, which is essentially what you said,  
5 and I don't think that's fair. I will also point  
6 out that in the end of the day, we have a lot of  
7 agencies that come in here and they're underfunded.  
8 That's a normal process of the government, which is  
9 unfortunately, we have a lot of tasks and they're  
10 underfunded and we fight for them and I certainly  
11 am committed to fighting for the Board of  
12 Elections. But I will say that agencies do have a  
13 responsibility as well when they come in to talk to  
14 us about their best practices, efficiencies and  
15 doing more with less, which other agencies do,  
16 right? I mean we don't have other agencies that...  
17 the Police Department doesn't come in and say,  
18 "Well, if you can't fund us, guess what? You know,  
19 at the appropriate levels, criminals are going to  
20 slip through the system." And we had the DA's  
21 offices here last week and they're always  
22 underfunded and they certainly don't tell us that  
23 people aren't getting prosecuted, so I don't think  
24 it's completely fair to put the burden on us and I  
25



1           would really like to see, and I believe that you,  
2           in your new capacity, you are trying to act in good  
3           faith, although certainly, I guess you're pushing  
4           back on a narrative that you don't appreciate it,  
5           but I do think there's two sides to this story,  
6           which is that some of us want to be helpful. At  
7           the same time, more could be done on the Board of  
8           Elections side and there are institutional  
9           problems, as you said yourself; I believe you said  
10          the word was institutional laziness that needs to  
11          be corrected, so if we want to have a fair  
12          dialogue, I think you should consider coming back  
13          to the Chair of the committee and saying, "Mr.  
14          Chairman, you know, here are the things that we  
15          could do better and here's where we could and  
16          here's where we could streamline and here's what we  
17          really need from you guys," and I think that would  
18          be a fair and honest discussion because quite  
19          frankly, I agree with you and I think that you know  
20          I'm not one of those who runs and yells and screams  
21          and attacks the Board of Elections unfairly. I  
22          think that we're just adding to the hyperbole when  
23          the Executive Director comes in and says, "Hey,  
24          we've got this vast conspiracy of folks who are out  
25

to get us." I think we've got to step it down a notch and try to actually come up with practical solutions because I do want to see you succeed.

MICHAEL RYAN: And I appreciate that, but unfortunately, these forums are our time to make our case and in some respects, I think there were individuals in the past that did take a position that did not provide adequate funding to the City Council. And my purpose of including that, and that was my language and no one else's, so if anybody bears responsibility for that it's me. I simply want to turn the page and move forward and work as a partner with the City Council and with the new administration to make sure that we're in the best possible position to serve the voters of the City of New York and we certainly recognize the pressure that the City Council and the Mayor's office is under with respect to all of the other unions that need to be negotiated, as well as a whole host of problems. We had a very unexpected snowstorm season this year, which further taxed the resources of the city. What we simply want is a seat at the table, as I know that this committee will give us, and I've been working

1           closely with Chair Kallos. In the short-term,  
2           we've agreed that it will... us meeting with the  
3           committee on a regular basis, you know, monthly or  
4           more often if necessary will be certainly helpful  
5           to the process and certainly we look to have these  
6           conversations in a more private dialogue that will  
7           allow for more constructive work to be done.

9                       COUNCIL MEMBER GREENFIELD: Thank you,  
10          Mr. Ryan. I have just one very specific question  
11          specifically regarding ballot jams. One of the  
12          major complaints that we've received, and I  
13          understand that they are new machines and that the  
14          technicians are underpaid, but one of the major  
15          complaints that we receive are that these machines  
16          break down. They get jammed; they break,  
17          especially on Election Day. It causes excessive  
18          waste. Can you tell us specifically how many  
19          ballot jams did you have in September and November?  
20          What was the incidence; the percentage? How long  
21          did it take to fix those ballot jams, keeping in  
22          mind, of course, that your best trained technicians  
23          are apparently moving to Long Island where they can  
24          double their salaries?

MICHAEL RYAN: Right. I can get you the information with specific number of ballot jams; however, I can tell you that post-election, we had a five hour meeting with ES&S, the vendor and one of the things... among the things that we discussed... apparently, from the analysis, the biggest cause of ballot jams was quote unquote "the timid voter," and the wheels start to turn, and I know this kind of gets hypertechnical, but there was time out feature that stopped the wheels from turning if the voter did not put it within two seconds. That's going to be extended so that we won't have these jams that indicate, you know, the time out and the machine stops. In addition, there's a myriad of technical adjustments that are going to be made inside the machines to where the ballot gets parked there's a plate that needs to be shifted down a little bit lower so that in the event the ballot gets rejected, when it comes back out, it doesn't curl up. So we are working closely with the vendor to reduce the ballot jams as much as we possibly can.

COUNCIL MEMBER GREENFIELD: I appreciate that. I would just say that honestly

1 from my feedback, that and the font size are the  
2 two biggest sources of frustration for voters; font  
3 size obviously for those who are older and the  
4 ballot jams lead to very long lines and people  
5 called me and told me, "Hey, I'm not waiting an  
6 hour to vote," and of course, I fought with them.  
7 "This is America, a democracy," yada, yada and they  
8 said...

9 [crosstalk]

10 MICHAEL RYAN: Right.

11 [crosstalk]

12 COUNCIL MEMBER GREENFIELD: "No, I'm  
13 not waiting an hour to vote." So that really ends  
14 up subverting democracy when we've got these broken  
15 machines and I'm not blaming you. I'm just asking  
16 that you, in fact, make it a top priority because  
17 that really... and there's no way to prove this  
18 obviously 'cause there's no statistics on how many  
19 people walk in and actually turn around and leave,  
20 but anecdotally, we've heard from many people who  
21 have walked in and literally turned around and  
22 actually have left the polling sites.

23 MICHAEL RYAN: And that truly is a  
24 shame and I will tell you with respect to the font  
25

size, the Commissioners voted... I believe it was in the early part of this month in March I believe... to go with a three language maximum ballot and that's going to be primarily affecting those areas in Queens. There's like 79 election districts in Queens.

COUNCIL MEMBER GREENFIELD: Will the fonts be larger now?

MICHAEL RYAN: The fonts will be larger. We anticipate that the font...

[crosstalk]

COUNCIL MEMBER GREENFIELD: Oh, happy day.

MICHAEL RYAN: For this upcoming election cycle will be a 10 point font...

[crosstalk]

COUNCIL MEMBER GREENFIELD: God bless.

[crosstalk]

MICHAEL RYAN: Up from the six point font, but we also look to work not only with the City Council, but others to improve the system further and if more language requirements come in, we're really going to have to consider going to a two-page ballot and that day looks like it's coming

1 at some point. The problem with doing that  
2 immediately, for those who have suggested that we  
3 should, is the current state certified iteration of  
4 the software and firmware allows for the counting  
5 of the ballots only by page, not by individual  
6 ballot. That would create ballot accountability  
7 problems for us, so it's a trade off against the  
8 smaller font versus potentially the misplacement or  
9 miscounting of ballots moving forward.

11 COUNCIL MEMBER GREENFIELD: Well, once  
12 again, I appreciate it and I will echo your  
13 remarks. There's nobody that is more dedicated to  
14 helping you reform the process and getting the  
15 proper funding as our Chairman, Mr. Kallos, and so  
16 I would encourage you to work with him and I look  
17 forward to getting those specific details on the  
18 ballot jams and as well as if we can get some more  
19 information on cost cutting measures that you're  
20 taking internally at the Board of Elections to try  
21 to be more efficient and then of course, we  
22 certainly will be supportive of efforts to try to  
23 get more funding for the Board of Elections. Thank  
24 you.

MICHAEL RYAN: Thank you very much, Mr. Councilman.

CHAIRPERSON KALLOS: Thank you, Council Member Greenfield and it's not just me as chair. I also have members like Council Member Greenfield, who will be joining in working out a lot of this. So the hour is short. We're over our time limit at this point, but we have a lot that we need to get through. Before we get to the budget piece, I would like to follow up on the previous hearing. So at our previous hearing, we had literally a laundry list of things that we agreed that would happen, so I'd like to get through those; yes or no or...

MICHAEL RYAN: [interposing] 'Kay.

CHAIRPERSON KALLOS: I'll get back to you later as quickly as possible. So the first thing we agreed was that you would respond to the Department of Investigation in one month with a corrective action plan. You delivered this to me when you came to give your testimony. It is a response to DOI, but it does not appear to be a corrective action plan and, in fact, I appreciate that you responded to them at my request and for



1 giving me credit there, but my preference would  
2 have been for you to engage in the process honestly  
3 and wholeheartedly and it seems that through a  
4 brief review of this, a lot of the places the  
5 answer was either yes, we were already going to do  
6 it or the Commissioners have to approve it or we're  
7 working on it, but one of the things we had spoken  
8 about is that I wanted to see dates certain and I  
9 believe that is what the DOI requested, so I'm in  
10 receipt of this document. Is there a follow up  
11 document that's going to come up with corrective  
12 action plan of the Commissioners; here are your  
13 concerns and here is our corrective action plan,  
14 not just here is our position of why we will not  
15 comply?  
16

17 MICHAEL RYAN: I don't believe that  
18 that document is a non-compliance document. I  
19 think it accurately reflects the reality of the  
20 process. We have a Board comprised of 10  
21 Commissioners. Nothing will happen at the Board  
22 unless six of the 10, irrespective of how many show  
23 up on a particular day, vote for something to  
24 happen. So we have implemented many of the things  
25 that were addressed in the report and over the

1 course of time, these issues will be continually  
2 addressed. Much in the same way that you know, any  
3 legislator cannot accurately predict when their  
4 sponsored bill will become law, I cannot, in my  
5 position as the Executive Director, predict when  
6 various items will be responded to affirmatively or  
7 negatively by the Commissioners. But I can assure  
8 you we're working on everything that's in that  
9 report.  
10

11 CHAIRPERSON KALLOS: Yeah, we'll go  
12 through that. If it is the Commissioners that need  
13 to give the responses, then perhaps the next  
14 corrective action plan that would be more fully  
15 compliant needs to be voted on and signed by  
16 Commissioners where instead of it being you saying  
17 it is a decision up to the Commissioners, it is the  
18 Commissioners themselves taking responsibility for  
19 their powers under the constitution and actually  
20 saying we will do this or we won't do this so that  
21 we can move forward with those who ultimately have  
22 the decision making authority. Continuing on, I  
23 appreciate that we will be having regular updates  
24 and we will work closely with you to make sure that  
25 you're coming before this body monthly on the DOI

report and other compliance. Hiring practices: will the BOE now be standardizing the hiring and screening process across all five boroughs; yes or no? Or when is it going to be implemented?

MICHAEL RYAN: Again, that is a Commissioner level decision with respect to hiring practices.

CHAIRPERSON KALLOS: I need the Commissioners to respond to that. Will you provide an estimate on the cost of having DOI conduct background checks on some of the New York City Board of Elections employees that they've outlined should be receiving the background checks?

MICHAEL RYAN: Well, certainly I would be looking to work with the Department of Investigation and I think they would be in a better position to answer that question than the Board of Elections. But that having been said, I think their recommendation in that regard was a little bit unclear. While they state what the City standard is...

CHAIRPERSON KALLOS: [interposing] Mm-hm.

MICHAEL RYAN: They also seem to say that every Board of Elections employee should have a background check. Now, for the permanent employees that we hire, that is a much easier implementation. For the temporary employees that we hire that serve throughout the year, that creates a real timeframe and a real crunch associated with getting a background check done and then have somebody be on staff for July 1.

CHAIRPERSON KALLOS: Can you please provide a corrective action plan with regards to background checks with the employees that you propose should receive the background checks and a cost estimate from the DOI; even soliciting from the DOI that these are the title and pay rates and individuals you believe should have background checks and asking them whether or not that is substantial compliance at their request and the cost associated with it and if there is cost associated with it. Political activities: in your response to... you gave the same response as you gave during the testimony. Have there been any investigations or terminations or commitments to do so for anyone who's being required to engage in

political activities or punished for their political activity?

MICHAEL RYAN: Since the issuance of the report no, but historically at the Board there have been individuals who have been terminated for engaging in political activities on Board time at Board offices and it is clearly, clearly prohibited by the policies and procedures as well as the COIB rules.

CHAIRPERSON KALLOS: With regards to again, a compliance plan, if you can provide a timeline of this is the training that is given; these are the months that the training is given; this is when the employees get it; it is part of this packet. Provide that so that it is more than just a sentence in a response, but actually a substantial compliance where you're going over and above to just say this is all the things we are doing on this issue so that the DOI and this body can review.

MICHAEL RYAN: I certainly can get back to the committee on that. We do bi-annual COIB training.

CHAIRPERSON KALLOS: Mm-hm.

MICHAEL RYAN: That's on ongoing basis. I don't know when the next one is scheduled, but I could certainly let you know. As well, after the DOI unit was formed, we started having DOI come in and do various trainings throughout the five boroughs and we certainly expect that that would continue over the course of time.

CHAIRPERSON KALLOS: I would appreciate in your follow up compliance plan you say that you are willing to have the DOI come in and that these are the dates and... or request dates from them so that we can get the ball rolling beyond saying that we're already doing it, but actually against substantial compliance. Employee training and accountability: what is the date certain that you'll be ready to have a professionalized poll worker training system set up?

MICHAEL RYAN: We are in the process of doing a negotiated acquisition. That procurement process is nearing its conclusion. We expect that we would be able to utilize HAVA funds to fund that. We have approximately \$1.2 million in the HAVA funds. The only danger with that is that that comes up for review separate and apart from the

Board of Elections every September, so if for some reason they decided to discontinue HAVA funds, the Board would essentially be... is in the position of having expended the initial approximately \$250,000 for the election professionals and then having the proverbial rug pulled out from underneath us.

CHAIRPERSON KALLOS: And at that point it would be up to my body to restore those funds, but if you can please again, with the compliance plan provide a timeline of this is how long it will take for the RFP process and for whatever it is and just...

[crosstalk]

MICHAEL RYAN: Right.

CHAIRPERSON KALLOS: Have the date certain for us to work from so we have something to measure versus we're working on it.

MICHAEL RYAN: Right. What I can tell you is we are following the PPB rules and I can give you a timeline of the expected implementation based on compliance with the PPB rules.

CHAIRPERSON KALLOS: Will there be more hands on role playing for poll workers and... yes, will you have that?

2 MICHAEL RYAN: Well, our training  
3 starts in July...

4 CHAIRPERSON KALLOS: [interposing] Uh-  
5 huh.

6 MICHAEL RYAN: And even without a new  
7 vendor in place or a new consultant in place, I  
8 should say, there will be more role playing and  
9 hands on. The problem that we had when DOI looked  
10 at 2013 was we were compressing two trainings into  
11 one without having additional time to do two  
12 separate trainings, so the role play and the hands  
13 on was reduced for 2013 and we expect at a minimum  
14 that that will be restored back to previous levels  
15 because we're only going to be using one system.

16 CHAIRPERSON KALLOS: In your testimony,  
17 you mentioned improvements to your timekeeping,  
18 which is something that was identified in the DOI  
19 report, but I don't believe you gave a similar  
20 response in your response to the DOI. Can the  
21 Board of Elections adopt CityTime? The FISA and  
22 OPA have both agreed that they can provide it and  
23 it would be at significantly reduced costs to your  
24 specific agency.



MICHAEL RYAN: Right. That is one particular potential solution, but in order to give the Commissioners a complete package of information, we are looking at multiple vendors. Some of the elements of CityTime, quite frankly, that we discussed in-house that we don't like is the hand scanning aspect of it, and there are operational difficulties potentially associated with that and we're looking at a potential card scanning system, which will allow for us additional management benefits in that we would anticipate changing out some of our lock codes to provide for the card scanner access to get at the various points of the building, which will allow myself and the remainder of management staff to more effectively track employees' whereabouts. So we're looking at both systems. We recognize that time cards are unsustainable.

CHAIRPERSON KALLOS: I don't believe that there's... so CityTime is already paid for. We've made a multi-million dollar investment as a city and I don't believe anything else would be free to your agency and given that you're asking for substantial other funds, I would recommend the

severe savings by joining the rest of the city and how many agencies are currently on CityTime? I think we just recent... several hundred.

MICHAEL RYAN: Right.

CHAIRPERSON KALLOS: 100 and... 140 something, so if we can work for a substantial number of collective bargaining units, it can work for the Board of Elections.

MICHAEL RYAN: Okay and getting back to your other point earlier, Miss Sandow just informed me that our DOI training was last summer and the COIB training was last spring, so we'd expect that the COIB training would occur again next spring.

CHAIRPERSON KALLOS: Okay.

MICHAEL RYAN: And I would expect that the DOI training would continue on an annual basis. It makes sense for us to do it after we get our temp employees in so that we service the maximum number of employees with that information.

CHAIRPERSON KALLOS: In your response to when you evaluate CityTime versus your other option, please make sure that we have a date certain by which you and/or the Commissioners perhaps that this is the day you will have your

report ready for the Commissioners and this is the date that the Commissioners will be asked to vote on it in public on a webcast. With regard to the voting experience, privacy screens and that implementation, as well as when you will have a date certain for implementing the software to filter write-in votes instead of NYC DOE employees and producing a report on ballot security in Manhattan, which includes corrective actions.

MICHAEL RYAN: Okay, with respect to the privacy screens, as is indicated in my response to DOI, that is not universally accepted as the most beneficial way to go. One of the problems that we have is lighting in the polling places and some of the advocacy groups have indicated that that might create a problem and that there won't be sufficient lighting when people go to cast their ballots. But there are different options that we're looking at and one of the things that we wanted to do when we're bringing the vendor in is also to give us some idea of best practices in terms of poll site set-up, so that's something that we expect we will be doing down the road as well.

CHAIRPERSON KALLOS: Again, compliance plan; please provide dates certain. This is our date for evaluation; this is our date for report; this is our date that the Commissioners will consider it. I understand that you have Commissioners and that they have the ultimate decision making process, but we're working on it is great, but having something to measure it by is incredibly more useful so that we can skip having to go through this list every time.

MICHAEL RYAN: Write-in votes...

CHAIRPERSON KALLOS: Yes.

MICHAEL RYAN: Again, I know this starts to become a mantra, but our EVS staff, Electronic Voting System staff, is evaluating how the technology works. Presently, the way it's captured in the system...

CHAIRPERSON KALLOS: [interposing] Mm-hm.

MICHAEL RYAN: The box is too small and we're working with the vendor and that's going to result... that's going to require the vendor coming back to us with an answer. We certainly can secure

from the vendor their potential timeframe, but if they're going to enlarge that box...

CHAIRPERSON KALLOS: [interposing]

That's fine.

MICHAEL RYAN: But... okay.

CHAIRPERSON KALLOS: That's perfect.

MICHAEL RYAN: And then what was the third thing? I'm sorry?

CHAIRPERSON KALLOS: A report on the ballot security in Manhattan and corrective actions.

MICHEEL RYAN: Well, the employees in Manhattan have all been retrained. We can get you details on that.

CHAIRPERSON KALLOS: Yes, please.

MICHAEL RYAN: The other thing with Manhattan is quite frankly, we're stressing adherence to the procedures because it works well in the other boroughs and we just seem to have a problem with Manhattan, so if we get Manhattan to comply with the procedures as presently in place, that would be the corrective action.

CHAIRPERSON KALLOS: You mentioned you would bring a certain number of items to the

1           attention of the Commissioners in early March;  
2           specifically civil service exams for New York City  
3           Board of Elections employees; publicly posting all  
4           vacancies for positions which are not statutorily  
5           or constitutionally limited; Commissioner  
6           determination before dropping voters from the roles  
7           and employing the use of background checks on  
8           managerial positions... we already... and the  
9           elimination of voter cards. I understand there's  
10          been movement on voter cards. What about publicly  
11          posting all vacancies? Has that happened yet?

12                   MICHAEL RYAN: That has not happened  
13                   yet and I will, again, readdress that issue with  
14                   the Commissioners.  
15

16                   CHAIRPERSON KALLOS: Okay and when will  
17                   we hear back?

18                   MICHAEL RYAN: Well, I suppose you'll  
19                   hear back as soon as possible or...

20                   CHAIRPERSON KALLOS: [interposing]  
21                   Okay.

22                   MICHAEL RYAN: The next time that you  
23                   have me before this committee.

24                   [crosstalk]  
25

CHAIRPERSON KALLOS: Well, there's no constitutional mandate against publicly posting positions that are available.

MICHAEL RYAN: And I think the acknowledgement of that is what I said earlier in my testimony with respect to the ratio of Board solicited poll workers versus those assigned by counties is now actually more...

[crosstalk]

CHAIRPERSON KALLOS: 60/40?

[crosstalk]

MICHAEL RYAN: What's...

[crosstalk]

CHAIRPERSON KALLOS: 60/40 is a great step in the right direction, but if you came to me and said, "I need more money for advertising poll worker positions and the other 360 positions," that would be something that would be something that would be very persuasive to me.

MICHAEL RYAN: Right.

CHAIRPERSON KALLOS: So...

MICHAEL RYAN: One of the things that I think we can do though separate and apart from additional funding is what we suggested earlier,

1           which is partnering at various times of the year  
2           with the MTA to utilize the advertising services in  
3           the subways and the buses and that would  
4           essentially I think be at no cost you know, to the  
5           City and the system.

7                     CHAIRPERSON KALLOS:   Where are you on  
8           performance evaluations?

9                     MICHAEL RYAN:   We started doing them.  
10          They had apparently gotten off track at some point.  
11          The policy is that they're supposed to be done  
12          annually and that's what we're going to adhere to  
13          and the new Director of Personnel...

14                    CHAIRPERSON KALLOS:   [interposing] Mm-  
15          hm.

16                    MICHAEL RYAN:   Is implementing that and  
17          that is by Executive management and Commissioner  
18          direction being one of her priorities, but they are  
19          underway and I can tell you that we're also looking  
20          in addition to that you know, time and leave  
21          oversight. We've put a program in place absent  
22          electronic timekeeping. We have an in-house  
23          developed time tracking system that generates  
24          monthly reports and we have been you know, really  
25          chomping at the bit with our managers to make sure



that they're staying on top of their staff and it's something that Executive management looks at very closely.

CHAIRPERSON KALLOS: If we can have a date certain as far a corrective action plan of when the performance evaluations will be conducted. Perhaps it is something that happens... [background voice] Okay, so...

MICHAEL RYAN: So we'll get you the specifics on it.

CHAIRPERSON KALLOS: That would be amazing. During the last hearing, you indicated that you're currently posting all positions in PVS on the New York City Board of Elections website and I requested that that may be posted as computer readable format. Has that happened yet?

MICHAEL RYAN: Quite frankly, I forgot you said about that one, so...

[crosstalk]

CHAIRPERSON KALLOS: Well...

[crosstalk]

MICHAEL RYAN: I missed it, but we have our MIS people here and you know, they've heard

you, I'll write it down again and we'll make sure that that happens.

CHAIRPERSON KALLOS: Okay and I saw in the DOI response that you are now considering adding the Arabic numeral birth dates on the voter rolls and instructing the poll workers to see that, so I am very happy to see that.

MICHAEL RYAN: And in addition, we're working on tabbing. I know this sounds kind of basic, but we're working on tabbing...

CHAIRPERSON KALLOS: [interposing] Mm-hm.

MICHAEL RYAN: The voter books; voter rolls with letter tabs so that when the poll workers are searching for a name, they'll have it A, B, C, D.

CHAIRPERSON KALLOS: With regard to poll workers certification, I requested that you investigate whether or not you could do it by task so that certain people are trained minimally at check-in tables and then the next step up is sign-in table and the next step up is setting up machines. I understand that you'd brought up some concerns, but if you can either do an internal

report or provide a more than off the cuff response as to why we can't have certifications by task, I would be... that would be appreciated and just provide some sort of timeline. Even though this may be something low priority, just knowing what is to investigate, that would be amazing.

MICHAEL RYAN: Okay and we'll have training obviously starting in July.

CHAIRPERSON KALLOS: Mm-hm.

MICHAEL RYAN: One of our fears, and this is certainly something that we can talk about offline, but I can tell you right off the top, one of our fears is because we have a significant discrepancy between those folks that promise that they're going to be poll workers and those folks that actually show up...

CHAIRPERSON KALLOS: [interposing] Mm-hm.

MICHAEL RYAN: The idea of cross-training is something that we like, but that doesn't mean we cannot be disabused of that notion if it's in fact an erroneous assumption.

CHAIRPERSON KALLOS: Thank you and then I believe the last item on the punch list was in

2 your testimony, you asked for dollars for voter  
3 education. Would that voter education include  
4 education for primary voters stating that they do  
5 not need... sorry, for General election voters  
6 indicating that they do not need to vote down the  
7 line so that in addition to fixing the training so  
8 that people do not leave with that erroneous  
9 assumption that a voter being given that  
10 instruction is empowered to say no, no, no, I know  
11 better 'cause I got a mailing from the Board of...

12 [crosstalk]

13 MICHAEL RYAN: You...

14 [crosstalk]

15 CHAIRPERSON KALLOS: Elections on that.

16 MICHAEL RYAN: That's an important  
17 suggestion. We include that in our training, but  
18 quite frankly, it wasn't something that we  
19 contemplated in the public education piece.

20 CHAIRPERSON KALLOS: Mm-hm.

21 MICHAEL RYAN: But certainly I'll work  
22 with our Director of Public Relations to make sure  
23 that we can integrate that into our program as we  
24 move forward.

2 CHAIRPERSON KALLOS: So thank you for  
3 going over all the remaining items from the punch  
4 list from the last hearing. Thank you for the  
5 response to the DOI at my request. Even if I had  
6 hoped for more, it is still a step in the right  
7 direction. I look forward to working closely with  
8 you in the coming months and meeting with you  
9 monthly to make it happen. I will reserve my  
10 budget questions 'til after my colleague, Council  
11 Member Levine, who's been incredibly patient while  
12 we've gone through this, and also to all the other  
13 agencies that are now waiting past when they  
14 started with their proposed start time. Council  
15 Member?

16 COUNCIL MEMBER LEVINE: Thank you.  
17 Thank you, Chair Kallos. Thanks to the Board for  
18 being here today. I wanted to ask you a couple  
19 questions about ways we can expand access to  
20 voting; voter registration and voting itself. This  
21 is a budget hearing, so I'd like to hear your  
22 thoughts on the budgetary implications starting  
23 with same day voter registration. Would there be  
24 significant budget impact of such a policy?

MICHAEL RYAN: Same day voter registration makes... it's very difficult if by that you mean that they're going to register and vote on the same day.

COUNCIL MEMBER LEVINE: That's right.

MICHAEL RYAN: Right. Because we cut off the... presently, like for the last past election, it was October the 11th was the cut off date, the final cut off date and the final, final date was October the 16th, so if you were not in the voting books by that date, you don't vote on Election Day and...

[crosstalk]

COUNCIL MEMBER LEVINE: Right.

MICHAEL RYAN: Part of the problem with it is we're still required by state law to engage in a bipartisan process of processing votes. That's to make sure that one party or the other doesn't you know, engage in any you know, for lack of a better term, hanky panky and kind of swell their ranks on Election Day. So my understanding of our responsibilities in the law is that that, as presently situated, is not a possibility.

2 COUNCIL MEMBER LEVINE: It would  
3 require a state... a change in state election law  
4 and such a change has been made in states all over  
5 the country for I think important reasons. I'm  
6 trying to understand whether in addition to the  
7 legal challenges here, that this has a significant  
8 budgetary impact. Would you have to hire  
9 additional staff or equipment, for example?

10 MICHAEL RYAN: We would be required to  
11 have bipartisan teams you know, essentially that  
12 know the process in almost 1300 poll sites if  
13 people are going to come in unless they're going to  
14 go to a single location and you know, maybe in each  
15 borough and then vote and then go... you know, and  
16 then go to their individual...

17 [crosstalk]

18 COUNCIL MEMBER LEVINE: Right, but...

19 [crosstalk]

20 MICHAEL RYAN: Poll site.

21 [crosstalk]

22 COUNCIL MEMBER LEVINE: But in the  
23 electronic era, you couldn't have a team centrally  
24 located reviewing new registrants on that day?

1                   MICHAEL RYAN: That's provided that we  
2 receive it electronically. So you start to you  
3 know, mix messages if somebody doesn't have access  
4 to you know, an electronic registration process and  
5 they're going to register by paper. Well then,  
6 they would be boxed out on Election Day and only  
7 those individuals you know, that register  
8 electronically would be able to vote. So there are  
9 logistical problems that I would... it's an  
10 interesting concept and I think probably one that  
11 requires more of a conversation than we can have  
12 here today at this hearing you know, considering  
13 the press for time, but I would certainly welcome  
14 the opportunity to discuss that with you, Council  
15 Member or any member of your staff to see...

17                   [crosstalk]

18                   COUNCIL MEMBER LEVINE: Okay.

19                   [crosstalk]

20                   MICHAEL RYAN: You know, what the...

21                   [crosstalk]

22                   COUNCIL MEMBER LEVINE: And...

23                   [crosstalk]

24                   MICHAEL RYAN: Real impact would be.

25



COUNCIL MEMBER LEVINE: And we do not currently have electronic voter registration available. Is that right?

MICHAEL RYAN: No, that's actually not correct. On March the 11th, by Executive decision, we began to receive voter registration information from the New York State Department of Motor Vehicles and we worked with the State DVM and the State Board very closely to make this happen. We're receiving those only by electronic transmission since March the 11th, so we now have a system where a good number of our registrations are coming through electronically. I believe that paves the way for the logical next step, which is for all of us to work together to figure out how we can encourage those folks that register by paper now to engage in an electronic voting process, at least in terms of the pedigree information that goes into the system, even if they still have to get us back a form with their what we call wet signature on it so that we can import that into the system. But that would... that is a field that is ripe to be cultivated for tremendous cost savings. The more that we can eliminate paper, the better

off we're all going to be and for those ethnically diverse names that can often result in misspelling through manual data entry, that would reduce those significantly, so those folks that remain on the voter rolls because we can't do a name match would be you know, significantly reduced moving forward.

COUNCIL MEMBER LEVINE: So the registrations you're getting from the Motor Vehicles are coming electronically and how do you deal with the wet signature in that case?

MICHAEL RYAN: Well, state law says that the signature the DMV captures for your driver's license or your non-driver identification card is sufficient and we get it electronic, so we don't get... it's the functional equivalent of a wet signature, but it's a digital image.

COUNCIL MEMBER LEVINE: But a private citizen going onto that computer can only go so far without ultimately still needing a piece of paper that they put in the mail.

MICHAEL RYAN: Correct.

COUNCIL MEMBER LEVINE: So is there no way to get around again, the wet signature

2 requirement there? A scan of the signature would  
3 not be acceptable?

4 MICHAEL RYAN: I believe there is, but  
5 it's you know, kind of the next step in the  
6 process. So we've just implemented this full scale  
7 acceptance of electronic voter registration forms  
8 from DMV on March the 11th, but that is certainly  
9 the very next step in the process and we plan to  
10 work closely with the State Board of Elections to  
11 develop a protocol, but it's more than just a  
12 protocol. It's also part of a voter education  
13 process that you can actually do this.

14 COUNCIL MEMBER LEVINE: To state the  
15 obvious, and I know you know this, the next  
16 generation of voters is going to be far more likely  
17 to register if they can do it electronically. The  
18 sooner we can get there, the better. You  
19 identified I guess the next frontier is actual  
20 voting online, correct? And is that...

21 MICHAEL RYAN: [interposing] I don't  
22 know how far along that is with the State  
23 legislature and as a ministerial agency, we do our  
24 very best to stay out of issues that would  
25 otherwise be the province of those who have a

2 different role in the system than we do. We will  
3 endeavor to comply and will comply with any law  
4 that's passed that's applicable by the City  
5 Council, the State or the State legislature or...

6 [crosstalk]

7 COUNCIL MEMBER LEVINE: But assuming  
8 that law was passed, what are the budget and system  
9 identifications for you I mean in order for you to  
10 decide whether to pass the law? I think people  
11 need to understand as well what the budgetary  
12 impact would be.

13 MICHAEL RYAN: Well, I think given the  
14 fact that we essentially process these votes  
15 electronically now, just in a different way, they  
16 would be incorporated into the system. That  
17 doesn't require bipartisan review. Once the votes  
18 are cast, they're cast provided that they're cast  
19 in a way that is acceptably secure for all of the  
20 relevant stakeholders and then it is certainly  
21 something that we can implement, and I don't see it  
22 as having a negative budget impact and probably  
23 over the course of time you know, we might have to  
24 update the computer system. I don't think so if  
25 it's going to be the same number of voters, but

2 over the course of time, it actually may turn out  
3 to be a cost savings in that if we see that less  
4 and less people are showing up at poll sites...

5 COUNCIL MEMBER LEVINE: [interposing]  
6 Right.

7 MICHAEL RYAN: We might be able to at  
8 least collapse the number of machines that we  
9 deploy.

10 COUNCIL MEMBER LEVINE: It's a critical  
11 point and it actually might be a saver.

12 MICHAEL RYAN: Right.

13 COUNCIL MEMBER LEVINE: Or at a minimum  
14 it wouldn't cost more. That's good information.  
15 Thank you.

16 MICHAEL RYAN: Thank you.

17 CHAIRPERSON KALLOS: Prior to this  
18 hearing, you had a small press availability  
19 downstairs demonstrating the Voter Information  
20 Center Kiosk. I want to just thank you for  
21 bringing it to City Hall ahead of the testimony and  
22 making it available for inspection by the committee  
23 members, the public and the press and I also wanted  
24 to commend that I think that what you're doing is  
25 exactly what every Executive Director and leader

1 should be doing in the city, which is being  
2 proactive, coming up with cost saving measures and  
3 trying to address need and even being ahead of the  
4 Presidential Election Commission on trying to  
5 create a Voter Information Kiosk. I had a chance  
6 to see it. If I were going to be supportive of  
7 something like that, you've done it exactly the way  
8 I would've asked, which is build a prototype; do it  
9 as inexpensively as possible; do it on your own  
10 behest; don't do it just because a vendor asked you  
11 to. At this point, there are no vendors involved.  
12 You've put it together; you've created a working  
13 model, so and it does so much and it illustrates a  
14 long-term vision for election administration, so I  
15 want to just leave with that and say thank you  
16 about that. But that being said, I have expressed  
17 and I will express now substantial concerns about  
18 \$6.4 million based on the current cost, assuming  
19 yes, it would be lower and I am a technology  
20 person, but it seems like so many of the features  
21 of this terminal could be done in manners that were  
22 low tech. So in terms of the poll site finding  
23 feature, it seems like one of the hardest problems  
24 in Manhattan is that we have a lot of EDs for poll  
25

2 sites, so one question would be versus a 1,500 poll  
3 site rollout, is it possible to identify poll sites  
4 that have more than one ED and how many poll sites  
5 only have one ED 'cause obviously I don't think...  
6 do you believe that a poll site with only one ED or  
7 two or three EDs would need a Information Center  
8 Kiosk?

9 MICHAEL RYAN: Well, it's about having  
10 a single system for the city because of some of the  
11 other functionality that we're talking about,  
12 including the ability to check the poll workers in  
13 and have them in the system. So that is an issue  
14 that... that is an issue that we think integration  
15 is essential given all the level of functionality  
16 and what's more important to me, and I said this in  
17 my availability, and I want to thank you, Chair  
18 Kallos, for your input and in helping shape the  
19 thought process with respect to this regard. I am  
20 much more concerned about what the software does  
21 than the hardware that we use to operate the  
22 software. The software is where we get the  
23 management benefits. Whatever hardware we use in  
24 any way that we can partner with the City Council,  
25 with the Mayor's office or any other acceptable

2 group to drive the cost of that down, we're open to  
3 it. We just want it to work and do so efficiently  
4 and effectively for the city and I got to tell you,  
5 you know, spending the taxpayers' money wisely is  
6 something that is near and dear to my heart and I  
7 stress with our staff on a daily basis.

8 CHAIRPERSON KALLOS: One concern that's  
9 been brought to my attention is with regard to...  
10 so I... so let me just redirect, so you are  
11 mentioning 1,500 poll sites. Certain places like  
12 Manhattan, Queens and even certain borough...  
13 most... certain places in certain boroughs will  
14 have multiple EDs where you have 10 EDs or 15 EDs  
15 in a specific poll site just because of the  
16 concentration. Do you believe that you need to  
17 have one of these information terminals at all  
18 1,500 poll sites for the litany of reasons you've  
19 given?

20 MICHAEL RYAN: Well, it's slightly less  
21 than 1,300...

22 [crosstalk]

23 CHAIRPERSON KALLOS: At least one...

24 [crosstalk]

25 MICHAEL RYAN: The fif...



[crosstalk]

CHAIRPERSON KALLOS: Where?

MICHAEL RYAN: The 1,500 number was to have a sufficient number of back-up machines in the case that any would go down on Election Day. But yes, in order to have a integrated voting system that provides all of the level of functionality, the short answer is yes. We would like to have at least one at each poll site so that every poll site functions in the same manner, so we're getting disparate information.

CHAIRPERSON KALLOS: What is your... so the first feature is poll worker check-in and what is your current system?

MICHAEL RYAN: The current system is a grossly inefficient system where the poll worker forms are collected at the poll sites and put in an envelope and sent en masse back to our individual borough offices and then the borough offices do preliminary payroll processing and then the balance of the payroll processing is done at the central office.

CHAIRPERSON KALLOS: When poll workers arrive on site and a voting machine is not working,

how do they call in a complaint and a request for repair?

MICHAEL RYAN: Presently?

CHAIRPERSON KALLOS: Yes.

MICHAEL RYAN: Just like that.

CHAIRPERSON KALLOS: So you...

[crosstalk]

MICHAEL RYAN: They call in a...

CHAIRPERSON KALLOS: [interposing] So you have poll workers on site with phones.

MICHAEL RYAN: They typically bring their own phones.

CHAIRPERSON KALLOS: So we are now...

[crosstalk]

MICHAEL RYAN: They are reliant on the phones that may be present at the location where they are.

CHAIRPERSON KALLOS: Would it be possible for... perhaps less expensive to have poll workers call in who is there so that you have live information that way, which would be a lot less expensive than...

MICHAEL RYAN: Well, that will essentially replicate the current system, which

2 we're trying to get away from. We want to be able  
3 to look in the system and see who's there you know,  
4 as shortly after 5:00 as we can so that we can  
5 immediately begin to deploy the standby pool.

6 CHAIRPERSON KALLOS: Versus if somebody  
7 called or texted in with who is there.

8 MICHAEL RYAN: Correct because we would  
9 have to process that information, whether it's done  
10 by a text or whether it's done by a telephone call,  
11 an individual will have to process that  
12 information. Under this circumstance the  
13 technology would process the information in real  
14 time and then on the back end, the payroll is a  
15 significant benefit to us and with the paper  
16 reduction and we would more effectively and  
17 efficiently process the payroll.

18 CHAIRPERSON KALLOS: So a text... a  
19 feature phone is \$10. The plan for the day is very  
20 minimal. Most people have them and they could  
21 literally text in a number off the sheet to a  
22 gateway and that could serve as a check-in and it  
23 would be completely automated and you would know  
24 who was there.

2 MICHAEL RYAN: Right. Miss Sandow  
3 believes that she has a persuasive statement to  
4 make.

5 DAWN SANDOW: This kiosk has three  
6 functions. Right now, all five boroughs receive a  
7 high volume of phone calls between 5:15 anywhere up  
8 to 11:00. Our standbys all have to report to the  
9 borough offices to receive phone calls to see where  
10 the vacancies are. It's chaotic. It takes time.  
11 There are so many staff that are deployed to our  
12 Call Centers to receive these calls on Election  
13 Day. If our poll workers have the ability to walk  
14 into their poll site, scan their card and we are  
15 all watching in the borough offices and in the  
16 general office and we know in real time where the  
17 vacancies are, that alleviates any phone calls.  
18 Our poll sites... our poll workers are immediately  
19 dispatched to those sites. Not only that, we will  
20 know in real time if there is a problem at the poll  
21 site. We will see nobody has checked in at this  
22 poll site. The poll site's not open. We can  
23 dispatch out AD monitors out to that site  
24 immediately to see what the problem is. Is it  
25 because there was no custodian to open up? Did no

poll workers show up? So that's one capability. The second, right now at the end of the evening, all the notices to work come back to the borough offices. Our poll site units have to scan those notices to work manually to do payroll. So now, if our poll workers are scanning their cards, that information is getting transferred into our system. That alleviates the poll worker payroll. It also can have our poll workers department now starting on poll worker issues; getting the debriefings done quicker; our poll workers being paid quicker. That's one functionality. The second, we will have our information clerks at these kiosks. They will still have their information books; however, voters can walk in; use the kiosk on their own. If they need help, the information clerk is present to help them. It gives them ED/AD; which table they have to go to. If, in fact, they have gone to the wrong poll site, it will give them step by step directions driving, walking. It'll be printed out, which is something that we can't do right now. Our information clerks could never do that for a voter when they come in. If there is a long line at the information table, voters can come off that line;

they can go straight to the kiosk. Another important thing is that all our information that is usually kept on ED/AD table, which I feel sometimes goes unnoticed by the voter and because the poll workers are so busy, it get pushed aside. That kiosk is now going to have all that information for that voter, so if they want to take a registration; if they want to take... what happens if you get an over vote message or an under vote message, and then at the end of the evening, instead of the NYPD having to take the PMD, get it from the poll worker into the yellow pouch, transport it to a precinct and upload the results, we will be uploading the results immediately from the poll sites. Those results will be transferee to the Board's secured site and we will be getting the results much quicker. Now, there's also functionalities down the road. I mean these are the three that we want to start with, but there are also many other functionalities that we're looking at. We may be able to do away with our Call Center completely and have the Call Center right on the monitor so that our poll workers won't have to call in to say there's a ballot jam. They will be able to go over

2 to the monitor and put in the information. That'll  
3 automatically come to us; our tech will  
4 automatically be dispatched. They're out there;  
5 they fix the ballot; they fix the ballot jam; they  
6 go right up to the monitor and we get resolution in  
7 real time. So this has a promising future.

8 MICHAEL RYAN: And just on that one  
9 issue, I'll take this back to Council Member  
10 Greenfield's inquiry from before, 6,579 was the  
11 reported total of ballot jams that we received  
12 citywide for the General election in 2013.

13 CHAIRPERSON KALLOS: Thank you. So the  
14 first... so I believe that... while your technical  
15 team is here, I believe you are severely  
16 underestimating the power of feature phones and  
17 text messaging gateways, so I would ask that you  
18 guys look into that because many of the things that  
19 you're asking for; a \$3,000 piece of hardware to do  
20 could be done just as easily with a text messaging  
21 gateway and a \$10 feature phone. Moving on, so a  
22 voter gets to a poll site. They got to the poll  
23 site and the issue is finding the ED and in  
24 Manhattan where you have 15 EDs in a poll site, the  
25 lines don't form at the sign-in tables. The line

forms at the information check-in table where your people are distributed. When I was Chief of Staff to Assembly Member Jonathan Bing and working on his campaign, we actually handed every poll watcher a breakdown of literally just a street finder just for that poll site.

MICHAEL RYAN: [interposing] And...

[crosstalk]

CHAIRPERSON KALLOS: So instead of having to look at...

[crosstalk]

MICHAEL RYAN: And we implemented that as well.

CHAIRPERSON KALLOS: So if we can do that and perhaps instead of using a machine, we just put a map on the wall so if somebody is not able to use the street finder, which can be difficult. Things are ordered in ways that east... things are ordered by east and west versus by the street numbers and sometimes people get confused, who knows, but putting up a map... if a person can't read the form maybe they can read a map, but and if they can't do either of those then they can do the check-in table, but again, that is low tech



2 solution and again, I'm one of the most high tech  
3 people there is, but if the high tech person is  
4 suggesting that there are less costly solutions,  
5 that should serve as caution. So the person's  
6 already there. They just need to find their ED.  
7 I'm not sure that a \$3,000 piece of hardware is  
8 going to help them find it better than having paper  
9 on the walls or a map.

10 MICHAEL RYAN: I agree if that was the  
11 sole functionality, but based...

12 [crosstalk]

13 CHAIRPERSON KALLOS: Yes.

14 [crosstalk]

15 MICHAEL RYAN: On what I've said and  
16 what Deputy Director Sandow has said, we have...  
17 we'll agree to disagree on that; however, what we  
18 view it as... this'll be able to service two voters  
19 simultaneously.

20 CHAIRPERSON KALLOS: Mm-hm.

21 MICHAEL RYAN: We don't view it as an  
22 elimination of the responsibilities of the  
23 information clerk. We view it as an opportunity  
24 for the voters that can be serviced from the  
25 technology to be serviced and for the information

1 clerk in those areas where lines form to quote  
2 unquote "work the line," and go down the line where  
3 the people are standing and use the street finder  
4 for them and peel off those folks that they can off  
5 the line and get them going where they need to go.  
6 So we're kind of looking at it as a technology...

7  
8 CHAIRPERSON KALLOS: [interposing] Mm-  
9 hm.

10 MICHAEL RYAN: You know and a human  
11 solution.

12 CHAIRPERSON KALLOS: With regard to the  
13 technology itself, your testimony indicates  
14 \$720,000 a year for tablets and for the wireless  
15 connectivity there and \$315,000 a year for wireless  
16 using... for VICKi again for the Verizon contractor  
17 or whatnot. Why can't we use the City's existing  
18 wireless service, NYSWiN, for the machine and save  
19 ourselves millions of dollars?

20 MICHAEL RYAN: Well, we could I think  
21 and that would have to be revisited with DoITT;  
22 however, I can tell you that on April 2nd, 2013,  
23 and since you're a techie, at 2:17 p.m., we  
24 received a response from DoITT indicating that  
25 their executive leadership determined that "we are

1 not in a position to take on the risk of handling  
2 this kind of data." That was a direct response in  
3 our inquiry to go the NYSWiN route before we  
4 explored the more expensive route of the electronic  
5 connectivity through an outside provider. So we  
6 would like to explore those options. The door was  
7 closed upon us; however, you know, every day's a  
8 new day. If we can work together to work with  
9 DoITT to see if there's you know, a different  
10 solution or perhaps a hybrid solution where in some  
11 areas we have to use you know, an electronic  
12 service provider, but in other areas we can use  
13 NYSWiN and mix and match, we're all open for that  
14 and we don't want to spend money unnecessarily.

16 CHAIRPERSON KALLOS: So I want to thank  
17 the Law Department for their continued patience.  
18 I'll eventually get to the budget testimony, but  
19 before I do I want to recognize Council Member and  
20 minority leader Ignizio and if he has any  
21 questions, I'd like to give him the floor.

22 COUNCIL MEMBER IGNIZIO: Thank you very  
23 much, Mr. Chairman. I know I'm eager to hear from  
24 your hearing and the technology that you all are  
25 pursuing. I've known Mike and Dawn for some time

and I hope that we can build a better mousetrap because it certainly is not functioning as we all want to, yourself included; yourselves included.

MICHAEL RYAN: Correct.

COUNCIL MEMBER IGNIZIO: And you know, the public believed that when we started with the new machines that we were going to have a highly functioning, quick end of day result with regards to who won or lost an election, only to find out that we don't hear... in some cases, we don't hear from results on races 'til longer from the old... longer than the old machine did. So I'm happy to be here at the hearing and I just wanted to hear what the... what's on the horizon for an agency that is you know... which has come from archaic machines that I believed worked better than the current machines and hopefully the future is brighter with regards to results in a more accurate and well functioning agency under your direction. Thank you.

CHAIRPERSON KALLOS: Okay, let's try to make this quick. The five year average of the Board of Elections: 2009, \$81 million; 2010, \$95 million; 2011, \$102 million; 2012, \$109 million;

2 2013, \$107 million. These are actual costs and in  
3 spite of running three or four elections in a year  
4 and I'm sure you can tell me which years were four  
5 elections; which ones were three; which ones were  
6 two. It's remained fairly flat. At this point,  
7 you're coming to us asking for 140... \$143 million?

8 MICHAEL RYAN: That's the current  
9 budget.

10 CHAIRPERSON KALLOS: That's the current  
11 budget and then you're asking for an additional \$54  
12 million for FY '15. Can you please explain the  
13 discrepancy and why the costs have gone up by more  
14 than 40 percent?

15 MICHAEL RYAN: Well, one of the issues  
16 that I think we need to address is the issue of  
17 paying equity and getting us you know, in a more  
18 salary competitive environment. Clearly, what we  
19 presented here today was a wish list to start the  
20 conversation and certainly you know, we gave our  
21 hey, if we had everything we wanted you know,  
22 scenario, this is what we would need. I view this  
23 as the first step in the process and I certainly  
24 welcome the opportunity to pare that down and see  
25 where we have areas of consensus, both on the core

2 functions that we need to maintain and where I  
3 think that we need to make up some of the pay  
4 inequities for our workforce.

5 CHAIRPERSON KALLOS: I come from a  
6 background in business and as an investor and it's  
7 hard for me to want to invest more when we're still  
8 dealing with allegations of nepotism and a  
9 commitment on the part of the organization... on  
10 the part of the entity to your constitutional right  
11 to patronage, so how can you take on patronage,  
12 nepotism and make sure that everyone there is merit  
13 based and that the people who shouldn't be there  
14 aren't there so that I can feel comfortable  
15 investing?

16 MICHAEL RYAN: Well, I've heard it said  
17 that we have 10 percent of our workforce that are  
18 all related to each other, but the fact of the  
19 matter is, right to this moment, we've only been  
20 made aware of four specific instances. Two of  
21 those involve Commissioner level situations, which  
22 I believe are still currently under investigation  
23 by COIB, so those would be improper to comment on.  
24 On the other two issues, we transferred one  
25 employee from out from under direct familial

1 supervision and by both accounts of both  
2 Commissioners, the Republican and the Democrat that  
3 this person was a superior worker and she has been  
4 transferred to the central office and in fact, has  
5 been performing quite well in her duties there.  
6 The other individual had a "fire or be transferred"  
7 scenario proposed to him and he was, in fact,  
8 terminated. So if there are other instances that I  
9 am not aware of, we will certainly work with the  
10 Department of Investigation to alleviate whatever  
11 problems there are in that regard with respect to  
12 current employees. And again, going back to  
13 prospective future employees, I suspect that that  
14 conversation in line with what we discussed earlier  
15 will continue with the City Council, myself and  
16 perhaps the Commissioners.

18 CHAIRPERSON KALLOS: Would it possible  
19 to eliminate some of the patronage appointments;  
20 some of the nepotism appointments; some of the  
21 Commissioner appointments for people who maybe  
22 should be getting paid what they're getting paid or  
23 shouldn't be on the payroll so that we can  
24 reallocate those salaries to eliminate the pay  
25 inequity for those titles that are technical in

2 nature and have the skills that merit that pay  
3 rate?

4 MICHAEL RYAN: I Suppose that that  
5 process could be engaged at least in terms of  
6 evaluation, but whether or not those positions  
7 were, in fact, eliminated still comes back to a  
8 Commissioner level decision, and I would like to  
9 point out that... and I know it's stating the  
10 obvious, but the Commissioners are ultimately  
11 vetted and appointed by the City Council, so I  
12 think that there is an oversight to this entire  
13 process. How it's worked in the past, I'll leave  
14 for others to judge, but that is you know,  
15 certainly one of the Council's responsibilities in  
16 terms of you know, appointing Commissioners and  
17 might I add that the Commissioners make a  
18 determination of who stays employed, including me,  
19 so I'm certainly not involved in that decision. It  
20 occurs above my authority.

21 CHAIRPERSON KALLOS: Has the DOI  
22 identified any cost savings initiatives? If so,  
23 will you please provide some details?

24 MICHAEL RYAN: Has the DOI in...

25 [crosstalk]



2 CHAIRPERSON KALLOS: Sorry, the BOE.

3 MICHAEL RYAN: Well, one of the things  
4 that we're doing is we have eliminated the  
5 retention of the buff cards, which are really the  
6 voter registration forms. We have...

7 CHAIRPERSON KALLOS: [interposing]  
8 Thank you for that. How much are we going to save  
9 on that?

10 MICHAEL RYAN: Well, at an average of  
11 \$23 a square foot x 10,200 feet it's \$235,000 a  
12 year just for the active cards, and we have a whole  
13 slew of cards that are called canceled cards that  
14 are in warehouse facilities and I quite frankly,  
15 did not do the analysis associated with that  
16 because I will be very, very happy when the State  
17 Board gets back to me that we've satisfied their  
18 protocols to just tell the borough offices to go  
19 ahead and start engaging the services of  
20 ShredAbility to get rid of those cards. So that's  
21 you know, one potential area of savings. And the  
22 man hours associated with keeping and maintaining  
23 those cards a very, very rough guesstimate is  
24 approximately 1,500 hours annually.

2 CHAIRPERSON KALLOS: And what is that  
3 cost savings translation?

4 MICHAEL RYAN: Well, it depends. You  
5 know, there's a mix and match of the salary types  
6 that handle these cards, so that is not readily  
7 available, but it's a lot of money and more  
8 importantly, even if that's not a direct cost  
9 savings, it will allow us to redirect those workers  
10 to doing more meaningful work and I would hope that  
11 if we made them more productive that we would be  
12 less reliant on overtime costs over the course of  
13 time, but that is something that would  
14 unfortunately be an evolutionary process. I don't  
15 know that I could put my finger on a specific  
16 dollar amount even if we did the analysis.

17 CHAIRPERSON KALLOS: And so reducing  
18 overtime costs and moving more people over to  
19 permanent positions and knowing which people are  
20 seasonal or high priority...

21 MICHAEL RYAN: [interposing] Well, and  
22 on that point moving people over to permanent  
23 positions I think would allow us for the first time  
24 to do shift work 'cause basically what happens  
25 during an election cycle, we have the 13-day rule

2 and people work 12 hours a day you know, for 13  
3 days in a row and then the 14th day they have to  
4 get off. What happens with that is it also drives  
5 up our outside vendor costs...

6 CHAIRPERSON KALLOS: [interposing] Uh-  
7 huh.

8 MICHAEL RYAN: Because in order to  
9 comply with Rule 6, the City Comptroller's Rule 6,  
10 we end up providing transportation to people who  
11 work you know, in excess of 10 hours and leave  
12 after 9:00 at night.

13 CHAIRPERSON KALLOS: What measures...  
14 [crosstalk]

15 MICHAEL RYAN: Which we'd be able...  
16 [crosstalk]

17 CHAIRPERSON KALLOS: Have you taken to  
18 limit those transportation costs?

19 MICHAEL RYAN: Well, again, we have  
20 to... that's putting the cart before the horse. We  
21 have to right size our staffing levels so that we  
22 could implement shift work and reduce the overtime.  
23 In other words, people work part of the day up to  
24 an hour and then are relieved by the new shift  
25 coming in, and that would get us out of the

2 necessity to comply with Rule 6 and drive down our  
3 transportation costs with respect to employees  
4 precipitously.

5 [crosstalk]

6 CHAIRPERSON KALLOS: You can start...  
7 if you can comment as part of your compliance plan  
8 or just a different plan; however you want to  
9 phrase it with right sizing and where you're going  
10 to make cuts and what salaries you're going to  
11 propose and in order to have equity. I'm not sure  
12 we're going to ever be able to match Westchester  
13 and Long Island. They seem to have pretty high pay  
14 rates. I'm thinking I might be able to get a  
15 second job working with them. I don't know, but  
16 they seem pretty high and I would be curious to see  
17 what the skill levels are, but...

18 MICHAEL RYAN: [interposing] It was  
19 purely for illustrative purposes.

20 CHAIRPERSON KALLOS: Fair enough. In  
21 terms of cost savings, what's the annual cost to  
22 warehouse for the old voting machines and what  
23 is... how much can we get by selling them or  
24 scrapping them?

2 MICHAEL RYAN: In excess of \$2 million  
3 to warehouse the old machines. Once we get to a  
4 resolution on the either instant run-off that I'm  
5 hearing about and I'd actually received a call that  
6 there may be a consensus bill in the... you know,  
7 coming up in the state...

8 [crosstalk]

9 CHAIRPERSON KALLOS: So...

10 [crosstalk]

11 MICHAEL RYAN: Legislature. If that  
12 happens, that will be a good thing. Once we know  
13 that we are not going to have that compressed  
14 timeframe between election events, we can get rid  
15 of them and a straight up analysis is 17 cents per  
16 pound for the metal and each machine weighs over  
17 800 pounds, but that's not factoring in the  
18 components, so if we simply scrap them, it'll be 17  
19 cents a pound. If we break them down before we  
20 scrap them, we'll be able to pull out the aluminum  
21 and the copper and the steel that get compensated  
22 at different rates. So it's possible and if we  
23 wanted to do it the quick and easy way; take the 17  
24 cents a pound and discard the machines, that's one  
25 way to do it. If we want to engage in some time at

stripping the machines and trying to you know,  
squeeze a little bit more juice out of the lemon,  
so to speak, we might be able to get more money.  
But at baselined 17 cents a pound x 800 you know x  
over 6,000 machines if we get the 1,500 machines  
that we want for VICKi, then it's 6,200. If we  
don't, then it's 7,700.

CHAIRPERSON KALLOS: Thank you very  
much for all the questions. Moving forward again,  
I look forward to meeting with you on a monthly  
basis. Wherein any time it is the Commissioners  
who have ultimate responsibility, I no longer want  
to hear it's the Commissioners that have  
responsibility. I'd like to hear an answer from  
the Commissioners themselves and thank you again.  
I look forward to working very closely with you in  
the coming months and years.

MICHAEL RYAN: Thank you very much. I  
appreciate everyone's time.

[Pause]

CHAIRPERSON KALLOS: Governmental  
Operations Committee is now called back to order.  
[gavel] I'd like to welcome the newly appointed  
Corporation Counsel, Zachary Carter.

2 Congratulations on your appointment. We look  
3 forward to working with you.

4 The New York City Law Department is  
5 responsible for all the legal affairs of the City.  
6 It represents the City, the Mayor, elected  
7 officials like me and the City's many agencies and  
8 all affirmative and defensive civil litigation, as  
9 well as juvenile delinquency prosecutions brought  
10 Family Court and Administrative Code Enforcement  
11 proceedings brought in Criminal Court.

12 The Department's proposed budget for  
13 Fiscal Year 2015 totals \$158.5 million including  
14 \$108.1 million to support 690 lawyers and \$850 to  
15 support professionals, which I believe makes you  
16 one of the largest law firms in the world.

17 In today's hearing, we will discuss  
18 many aspects of the Department's budget, its  
19 operational performance and how the Law Department  
20 is handling various judgments and claims against  
21 the City. We will further examine the Department's  
22 approach to some high profile cases, including  
23 those involving the NYPD, FDNY and how this  
24 approach may differ from the previous  
25 administration. we will also ask about any major

2 cases in the City with which the City is seeking to  
3 recover payments from contractors who have either  
4 overbilled or underdelivered on contracts with the  
5 City.

6 There is a lot to talk about, so let's  
7 get started. Thank you again for your patience  
8 while we were dealing with the Board of Elections.  
9 We would welcome any assistance you might have in  
10 getting them to be one of our highest performing  
11 agencies. We look forward to your testimony and as  
12 an attorney, I'm glad to see you here and again,  
13 look forward to working with you. We have a \$70  
14 billion pocketbook and it's my job and the  
15 Council's to try to defend that as much as  
16 possible, but once we contract out, we need your  
17 agency to keep every penny safe and make sure that  
18 we're only spending what we've agreed to, so you do  
19 a yeoman's job as an agency and without further  
20 ado, please share your testimony.

21 ZACHARY CARTER: Well, thank you very  
22 much. Good afternoon, Chair Kallos and  
23 distinguished members of the Government Operations  
24 Committee. It is my pleasure to come before you to  
25 discuss the Law Department's Fiscal Year 2015



2 Preliminary Budget. I have with me colleagues;  
3 senior colleagues from the Law Department.  
4 Starting on my right, Georgia Pestana. Next to me  
5 is our First Assistant, Corporation Counsel Jeff  
6 Friedlander. On my left is Mal Higgins, who is our  
7 Managing attorney. To his left is Larry Kahn...  
8 I'm sorry... see, this is a testament to the fact  
9 that a) I'm new and b) that I insist on ignoring my  
10 senior moment, so I call him Mal Higgins and this  
11 is actually... he is disguised as Mal Higgins. He  
12 is actually Foster Mills, sorry, and Larry Kahn on  
13 my left, who is Chief Litigating attorney and on  
14 his left is Muriel Goode-Trufant, who doubles as  
15 Chief of our Special Federal Litigation Unit...  
16 Division rather and also our Chief EEO Officer.

17 To start, I've practiced law in this  
18 city since 1975, when I graduated from NYU Law, but  
19 my first encounter with the Law Department came  
20 before my graduation when I was a student intern  
21 for the Juvenile Rights Division of Legal Aid in  
22 the Bronx, where I represented juveniles before the  
23 Family Court. My adversaries were, at that time,  
24 Assistant Corporation Counsel for the Family Court  
25 Division of the Law Department, who prosecuted

juvenile delinquency petitions. I must confess that back then I probably thought that the Family Court Division was the only division of Corp Counsel's office, and from my perspective, that was not such an unreasonable belief. After all, I was also a student at the NYU Criminal Law Claim, and in that capacity I represented defendants in the Criminal Court in Manhattan and I certainly knew that the Assistant District Attorneys who I faced on the other side, that criminal practice was all they did. It was impossible for me to imagine that the Family Court Division was only one of 17 operating divisions of the Law Department and by no means the largest. It would've been hard for me to imagine that the important function of prosecuting juvenile delinquency was something that the Law Department did in its spare time.

Over my years of practice, I came to more fully appreciate the range of work performed by the Law Department, but still from an outsider's perspective. I've litigated against the Department on occasion. I have worked cooperatively with a number of my predecessors in Bar Association activities and on various boards. Most recently, I

2 worked with my immediate predecessor, Mike Cardozo,  
3 when I chaired the Mayor's Committee on the  
4 Judiciary. They've have shared with me their  
5 experiences in this extraordinary job, but until I  
6 actually came to work as Corporation Counsel, I did  
7 not fully appreciate the sheer breadth of the legal  
8 issues covered by the office or the depth of the  
9 talent of its attorneys and support staff.

10 Today, I am accompanied by Law  
11 Department executives and division chiefs, who  
12 represent literally decades of legal experience and  
13 I'm not just talking about in the aggregate. I  
14 mean each of these folks sitting at the table have  
15 spent decades in the office. I apologize to all  
16 folks trying to conceal their age. These men and  
17 women and others not in attendance today are on the  
18 speed dials of numerous agency general counsel and  
19 agency heads, who have for years depended on their  
20 sound advice and representation on a practically  
21 limitless range of legal issues that affect the  
22 operations of the city.

23 On a typical day, I will review legal  
24 matters affecting transportation; schools; law  
25 enforcement in public safety including police, fire

2 and corrections; housing; public health; taxes, and  
3 of course, the City both collects and pays taxes;  
4 labor law; contracts; real estate law; municipal  
5 finance; environmental law torts, lots and lots and  
6 lots of torts. We also bring suits on behalf of  
7 the City seeking affirmative relief, i.e. money  
8 damages owed to the City.

9 In order to fulfill this responsibility  
10 to represent the City and its agencies in  
11 litigation and all other legal matters involving  
12 the City, the Department employs approximately 730  
13 attorneys and 630 support staff. Our legal staff  
14 is diverse. Our 730 attorneys include  
15 approximately 21 percent individuals of color and  
16 56 percent women, but we will always strive to  
17 improve that diversity.

18 We have taken and will continue to take  
19 steps to reduce unnecessary litigation. Sometimes  
20 that will take the form of aggressively defending  
21 City agencies against recurring, frivolous claims.  
22 In other cases, where a claim draws our attention  
23 to serious institutional problems in need of  
24 reform, we will bring that matter promptly to the  
25 agency counsel and operational leaders in a

2 position to take long-term corrective action. We  
3 will use the information we gain from defending  
4 claims against the City; to manage its risk by  
5 addressing policies, practices and operations that  
6 give rise to recurring claims and exposure to  
7 liability. As we advise the City and its  
8 constituent agencies, we hope to provide the  
9 quality of wise counsel that discourages advancing  
10 policy goals through litigation except as a last  
11 resort.

12 As you pointed out, our budget  
13 appropriation, both for Personal Services and Other  
14 Than Personal Services, for Fiscal Year 2015 is  
15 approximately \$158,412,743. Our proposed Fiscal  
16 Year 2015 head count is 1,353.

17 In conclusion, I thank you for your  
18 support of the Law Division and look forward to our  
19 continued cooperation. I would be happy to answer  
20 any questions that you have and if I do not have  
21 that information personally at my fingertips, I  
22 will turn to one of my incredibly knowledgeable  
23 colleagues.

24 CHAIRPERSON KALLOS: Thank you all for  
25 coming out in such force. I do not believe that

1           were I private paying client I could afford your  
2           combined billable hourly rates. So thank you for  
3           that. Welcome. You come to this with fresh eyes.  
4           As a newly appointed person and after your initial  
5           review, do you have any thoughts on changes to  
6           structure or management of the Law Department and  
7           if any, what changes do you plan to make?

9                       ZACHARY CARTER: Sure. I would say  
10          that given the breadth of the issues that the Law  
11          Department has to address in representing the  
12          various agencies on the again, very virtually  
13          limitless array of issues that organizing around  
14          practice specialty is and remains a sound  
15          organizing principle and so I would not consider  
16          changing that model. At the same time though, as  
17          many law firms in private practice do, there are  
18          matters that require us to focus on specific  
19          agencies, particularly the larger agencies that we  
20          serve; the Department of Education, police, fire  
21          and others and consequently, having teams that  
22          focus on specific agencies is a matter that I think  
23          we think is worthwhile exploring and that has been,  
24          I'm sure, done in various incarnations over the  
25          years and something that we will continue to look

2 at. Also, the Law Department is, in effect, a  
3 canary in the coal mine with respect to being the  
4 first to apprehend where there may be recurring  
5 problems in agencies that give rise to litigation  
6 and that expose the city and the agencies to  
7 liability and therefore, we are in a position to  
8 assist the City with its risk management functions  
9 in terms of providing information to agencies as  
10 soon as we apprehend that there's a recurring  
11 problem and so we're going to placing as much  
12 emphasis on that as possible.

13 CHAIRPERSON KALLOS: So when you were  
14 talking about your background with juvenile  
15 justice, you plucked my heart strings and you also  
16 gave me a flashback to yesterday when we had  
17 Commissioner Carrion from ACS. Currently there is  
18 \$203 million that we're spending in the ACS budget  
19 on juvenile justice. We have admissions of 3,419  
20 children with an average daily population of 266  
21 children at an average cost per day at \$777 a day  
22 and an average length of stay of 29 days, which  
23 comes out to \$22,533 per child per stay. Do you  
24 have any inclinations or plans regarding  
25 alternatives to detention and how you will be

2 prosecuting juvenile justice cases so that we can  
3 take care of our children and get them back on the  
4 right path instead of putting them into the system?

5 ZACHARY CARTER: Yeah well, what  
6 differentiates the Family Court Act from the Penal  
7 Code is that there's a presumption that you will  
8 seek the least restrictive dispositional  
9 alternative in order to address the young person's  
10 needs before the court so that you can hopefully  
11 arrest literally the conduct that has brought them  
12 to the Family Court in the first place, and so  
13 certainly I will be encouraging the Assistant  
14 Corporation Counsel who handle juvenile cases to  
15 try to identify those service providers in each of  
16 the Family Court offices... Family Courts around  
17 the boroughs that we serve to try to determine  
18 whether or not there is a tailored dispositional  
19 response for each individual offender and doing  
20 that in a way that's consistent with public safety.

21 CHAIRPERSON KALLOS: Is it possible to  
22 create some broad policies of saying that given  
23 certain classes of violations that a child may be  
24 before the Family Court related to that these are  
25 the recommended steps and something similar to what



the Federal Court has done in just trying to make sure that... at the Council I'm committed to spending as much as we need to, whether it's Universal Pre-K; after-schools to stop the schools to prison pipeline that unfortunately starts with the juvenile justice system. So any plans you're willing to put before the body or announce with the Mayor and whatnot around a change in tack would be welcome.

ZACHARY CARTER: Certainly and to the extent that we develop such plans, we'll certainly bring them to the attention of the Council and this committee. I have spent a lot of my career in developing an alternatives to incarceration programs, both as Executive Assistant DA in Brooklyn; as a member of the Vera Institute of Justice Board of Directors, so it's something that I feel very strongly about and it's something that we will certainly institute whenever we have the opportunity.

CHAIRPERSON KALLOS: I have an alumni of the Vera Institute on my staff. Debbie Lightbody runs my constituent service and she works closely on the elder issues. The previous

1 administration expanded the Law Department's  
2 initiative to increase staffing to more vigorously  
3 defend the City against civil lawsuits in an effort  
4 to reduce judgments and claims against the City to  
5 deter frivolous lawsuits. In your opinion, has the  
6 initiative been effective in reducing the amount of  
7 payments for judgments against the City and does  
8 the Law Department plan to continue this  
9 initiative?  
10

11 ZACHARY CARTER: We certainly plan to  
12 continue the initiative. In order to discourage  
13 counsel, 'cause really it is not an individual  
14 claimant problem. It's really a lawyer problem,  
15 not in my view a individual citizen problem. In  
16 order to discourage the filing of frivolous  
17 lawsuits, there has to be a sense that there's a  
18 credible level of trial capacity and you have to  
19 have the means to expose suits as being without  
20 merit through dispositive motion practice at the  
21 earliest stage, and so if we use our resources to  
22 identify those cases that can be disposed of by  
23 motion practice, and particularly before the onset  
24 of discovery, that is a win for our office and a  
25 win for the City in terms of the expenditure of

resources and it does over time, I think, operate to discourage attorneys who would be inclined to file for the frivolous claims.

CHAIRPERSON KALLOS: In terms of avoiding risk is it possible for the Law Department to begin working with city agencies so that residents who may have potential claims have their claims heard and resolved in a less legalistic fashion, but more of a just trying to make the residents whole? I will admit I am an arbitrator in the Small Claims Court. It's not a big deal. Most things are much less than \$5,000, but I've seen countless cases where a citizen has a problem. We're trying to make the person whole and figure out who's at fault and where is at fault and the City's been unresponsive to a tee and the Law Department and the City as a whole haven't gone about trying to help somebody become whole. It's just been about let's defend a lawsuit and whatever and when you're talking about lawsuits for \$100 or \$500 or even \$5,000 versus these million dollar claims, it's more constituent service than anything else.

2 ZACHARY CARTER: No, I agree with you  
3 completely. Now, obviously, we can't permit the  
4 City first to suffer a death by a thousand cuts and  
5 so some lawsuits, even at the lowest level, if they  
6 are completely without merit, we have to be careful  
7 about disposing of them wholesale. That being  
8 said, to the extent that there are lawsuits that  
9 make sense to be disposed without litigation;  
10 frankly, to get as much of the lawyers out of the  
11 way possible, when you see that a claim is  
12 plausible on its face; that it has likely merit and  
13 that it can be disposed of early and without an  
14 expenditure of resources, we're more than happy to  
15 do that.

16 CHAIRPERSON KALLOS: The City's  
17 Judgment Claims Budget for Fiscal Year 2014 totals  
18 \$718 million and is significantly higher than the  
19 previous six year average actual expenditures of  
20 \$598 million. Why is the Judgment Claims Budget  
21 for Fiscal Year 2014 so much higher than it was  
22 over the last six years?

23 ZACHARY CARTER: I mean quite frankly,  
24 that figure is not ours. That comes from OMB and  
25 we frankly, don't know how that was precisely

2 calculated, so I am not in a position really to  
3 answer.

4 CHAIRPERSON KALLOS: Would your agency  
5 be open to follow up? I'm here with our Senior...  
6 our Principal Finance Analyst, John Russell, who  
7 is, in my humble opinion, highly skilled and we  
8 would love to work with you in determining what the  
9 actual number is so that we can do that, but I  
10 guess one follow up question is just are you  
11 anticipating a surplus since the OMB number is  
12 not... may not be accurate?

13 ZACHARY CARTER: I don't think we  
14 anticipate a surplus, but I'll permit...  
15 [background voice]

16 G. FOSTER MILLS: We just don't have  
17 enough information to predict that. For example,  
18 part of the Judgment and Claims Budget includes  
19 cases that are settled by the Comptroller before  
20 litigation starts. We have no knowledge of that  
21 whatsoever, and so we are a subset of this number  
22 and how it affects the final number is very, very  
23 difficult for us to ascertain.

24 CHAIRPERSON KALLOS: So other than  
25 increasing the number of lawyers assigned to handle

2 these cases... sorry, just to rewind, so based on  
3 the number of cases that you have, which we'll get  
4 into later, that are being settled do you expect  
5 the payouts for Fiscal Year 2014 to be higher than  
6 the previous years?

7 G. FOSTER MILLS: I think it's a little  
8 too early to tell. The Comptroller every year  
9 comes out with an official number of what the J and  
10 C payout was for the prior Fiscal Year. They do  
11 that some time I think in the late summer and they  
12 have all kinds of accounting rules they have to  
13 follow in order to get there, so it's really very  
14 hard for us to predict that.

15 CHAIRPERSON KALLOS: And then as I was  
16 going to say before, other than increasing the  
17 number of lawyers assigned to handle these cases,  
18 what efforts is the Law Department taking in  
19 response to this, at least from OMB increase in  
20 projected costs, and how can you advise the  
21 agencies and hospitals to minimize the City's  
22 exposure to liability and medical malpractice  
23 cases?

24 ZACHARY CARTER: Well, what we have  
25 tried to do is to focus our resources in a way, as

2 I said before, to attempt to resolve as many cases  
3 by dispositive motion practice as possible, and  
4 that requires a substantial effort on early  
5 screening at intake to separate those cases that  
6 should be disposed of, as you had encouraged, with  
7 limited litigation at the right settlement amount,  
8 but also identifying those cases where there is  
9 significant exposure and where the stakes may be  
10 high where we may have strong legal claims that  
11 lend themselves to... lend the case to be dismissed  
12 summarily. We also try to triage these cases in a  
13 way that permits us to identify those cases that  
14 should be tried and I think that we've established  
15 in the cases that we have focused those resources  
16 on a very excellent record of success at trial.

17 CHAIRPERSON KALLOS: With the Fire  
18 Department, just moving onto some of the cases that  
19 are in the news, we currently came to a  
20 settlement... so first, what the City was doing was  
21 wrong and I'm really glad that this administration  
22 or Mayor de Blasio has agreed to settle this and  
23 that we're fixing this practice and I guess one  
24 question is along the margins, how did the  
25 Department come to a \$98 million figure?

2 ZACHARY CARTER: Well, this was a  
3 figure that was a product of negotiations going  
4 back into the summer of last year, and it is simply  
5 a back pay figure for all of the class claimants  
6 who were covered by the allegations of the lawsuit.  
7 And as a product, frankly, of the duration of the  
8 suit, if the suit could've been resolved earlier,  
9 the amount of the ultimate resolution or the  
10 damages would've been lower, but it is what it is  
11 and we have resolved it now and this is the figure  
12 that was a direct product of just the number of  
13 claimants and the number of years that have passed.

14 CHAIRPERSON KALLOS: How many of the  
15 claimants are now joining the FDNY? How many of  
16 the claimants are actually now going to join the  
17 FDNY in spite of our previous practices?

18 [background voices]

19 ZACHARY CARTER: I'm informed a little  
20 over 100.

21 CHAIRPERSON KALLOS: That's... and out  
22 of how many claimants was that?

23 GEORGIA PESTANA: There's about 1,470.

24 CHAIRPERSON KALLOS: That's a good  
25 start.



2 GEORGIA PESTANA: So not all of them  
3 still want to be firefighters, so not all of them  
4 are looking for the jobs and that's the process  
5 we're going through right now.

6 CHAIRPERSON KALLOS: Your predecessor  
7 has expressed concern that the City was overpaying  
8 for fees related to the court-appointed Court  
9 Monitor to oversee the procedure and policy changes  
10 at the FDNY going forward. Do you believe the City  
11 is being overcharged for the FDNY Court Monitor and  
12 related costs?

13 ZACHARY CARTER: Well, I am not in a  
14 position currently to assess whether or not the  
15 past efforts of the Monitor were incurred an  
16 excessive amount of fees, but what I do believe is  
17 that because the City is now and our office is now  
18 and the Department will now be in a cooperative  
19 posture with the claimants and with the court in  
20 resolving these issues that the Monitor will not...  
21 should not be as taxed as he may have been  
22 previously in supervising the reforms that should  
23 result in increased diversity.

24 CHAIRPERSON KALLOS: In the past few  
25 years, the Law Department has made a commitment to

more vigorously testing claims against the NYPD in an effort to deter frivolous lawsuits and to protect our City's Finest from frivolous litigation. Are you working with the NYPD in any way to identify trends or patterns of behavior leading to civil rights claims in order to develop policies and procedures that could be put in place to help decrease the number of civil actions filed against the NYPD?

ZACHARY CARTER: I think that in part the disposition of the case in Floyd provides kind of a platform for us to work closely with the NYPD you know, broadly to deal with issues that may give rise to lawsuits that can be prevented, and certainly of the extent that there's a reform in the stop-and-frisk practice and already a dramatic reduction in stops that should help to reduce the number of claims. Already claims over the last two years against the NYPD have been reduced by nine percent.

CHAIRPERSON KALLOS: That's outstanding. I am against stop-and-frisk. I'm glad that our new administration; our Mayor has stopped the practice. In my district, District 5

1 on the Upper East Side, they were... the NYPD was  
2 stopping more people of color than lived in my  
3 district by a magnitude of almost four, so I'm glad  
4 to see that practice stopped because it's  
5 unsustainable for us to stop our friends, neighbors  
6 and consumers anytime they come into a district  
7 where we'd like them to be there. So that being  
8 said, how much has it cost us as a city that the...  
9 that stop-and-frisk had continued for so long and  
10 now that we are finally able to not appeal the  
11 ruling and the practice, how much is that going to  
12 cost us, the Bloomberg's practice of having  
13 continued that for so long?

15 ZACHARY CARTER: Well, I don't think  
16 that I can put a dollar figure on that presently  
17 and very frankly, from the point of view of a  
18 veteran of many years in law enforcement, the  
19 greatest damage or cost was an unnecessary rupture  
20 in the relationship between the community and the  
21 police that served them and I think that just the  
22 efforts that have been made by our current  
23 Commissioner, Commissioner Bratton, to repair that  
24 damage and to establish a close working  
25 relationship with the community served by the NYPD

2 are going to reduce those intangible costs and I  
3 think also in the long run reduce the number of  
4 meritorious claims.

5 CHAIRPERSON KALLOS: Thank you. Onto  
6 the Central Park Five; if you can give us an update  
7 on that case.

8 ZACHARY CARTER: Well, the only update  
9 I can give you, because obviously it's a matter  
10 that's in litigation, is that there are discussions  
11 that are ongoing with counsel for the other  
12 plaintiffs and that's as much as I can say at this  
13 point.

14 CHAIRPERSON KALLOS: Thank you. Last  
15 year, Verizon agreed to pay the City \$50 million  
16 because of delays in projects associated with the  
17 Emergency Communications Transformation project,  
18 the large-scale effort to transform and consolidate  
19 the City's 911 Emergency Dispatch System. During  
20 the Finance Committee's 2015 Preliminary Budget  
21 hearing, OMB confirmed that the Law Department is  
22 currently engaged in efforts to recover payments  
23 from Hewlett Packard and another major ECTP  
24 contractor. What can you tell us about the  
25 negotiations with Hewlett Packard to recover

2 unearned ECTP payments and can you talk about any  
3 other effort to recover unearned payments made to  
4 contractors working on major city projects?

5 ZACHARY CARTER: [off mic] Do you want  
6 to handle that one?

7 JEFFREY FRIEDLANDER: Well, we're  
8 currently seeking to recover the amount and in  
9 negotiations with them and with the Comptroller's  
10 office on trying to arrive at a number that would  
11 be reasonable and reflect the damage the City has  
12 suffered in that case.

13 CHAIRPERSON KALLOS: Are there other  
14 areas that you're focusing on in addition to ECTP?

15 JEFFREY FRIEDLANDER: To recover  
16 monies? Well, we have... no, we have an  
17 affirmative litigation, which aside from the bread  
18 and butter work that they do to collect fines that  
19 are due to the City because of violations of the  
20 building code or air code or the like, as well as  
21 recovering monies that are due to us from insurance  
22 companies who have... where there's insurance out  
23 there and there's a lawsuit against the City where  
24 we could recover and go after them where they've  
25 recovered over the past 10 or 15 years hundreds of

millions of dollars. There are a number of cases that are ongoing. We've recovered monies that were due when school custodians, for example, have falsely billed the Department of Education for work that work that was done. We recover where there are in force cigarette violators who bootleg cigarettes coming into the city. We have a case against pharmaceutical companies where there have been improper Medicaid billing and again, we're looking to recover monies from Mellon Bank where the rate that was paid to the Deferred Compensation Plan was not the best rate possible for overnight exchange rates, and others along that road. School Construction Authority where there is money that should be recovered because of poor design of school. So that's much of what our division; Affirmative Litigation Division does and brings in revenues to the City. It's one of the few engines that we have to bring revenue in rather than spending money to defend the City.

CHAIRPERSON KALLOS: I would love to see that list if you'd be kind enough to share it with our body, and are those projected revenues recognized in the budget anywhere?

2 G. FOSTER MILLS: We have a revenue  
3 budget that does when the collection gets close  
4 enough that you can estimate what fiscal year it's  
5 going to come in, it will come into our revenue  
6 budget. The revenue budget right now is about \$29  
7 million for this year.

8 CHAIRPERSON KALLOS: Working with the  
9 Finance Council based on a Local Law that was  
10 passed in 2012, we've identified roughly \$4 billion  
11 in overspending on \$6 billion worth of contracts  
12 over 113 separate projects. Would it be within the  
13 Law Department's purview to help recover that \$4  
14 billion or how would we work together to get that  
15 money back or renegotiate those contracts or cancel  
16 contracts where it seems like we've gone over by  
17 more than 40 percent and in some cases more than  
18 100 percent of the original contract price.

19 ZACHARY CARTER: Well, obviously, we  
20 would have to review those contracts on a case by  
21 case basis to determine whether the overcharges are  
22 an issue of fraud or breach of contract or rather a  
23 question of competence in terms of the other  
24 contract oversight process. I mean there are times  
25 when contracts, particularly in the construction

2 area, may have been estimated at a level that it is  
3 unlikely that the contract could conceivably be  
4 completed within the budgeted parameters and  
5 therefore, leaves the project open to repeated  
6 requests for change order, and that process is one  
7 that has to be carefully monitored. It has to be  
8 monitored in a way that's fair to contractors in  
9 terms of compensating them for unanticipated events  
10 that occur that occur in every construction  
11 project, but also you have to make sure that they  
12 are not carelessly granted and they're not a  
13 product of inadequate supervision of the process.  
14 So we're more than happy to help assist the Council  
15 in reviewing any projects that are brought to our  
16 attention where there's a suspicion that there may  
17 be inappropriate overcharging so we can determine  
18 whether or not there's an actionable event.

19 CHAIRPERSON KALLOS: I guess just  
20 having gone to law school like you guys I still  
21 think of things in terms of ACORNS and whatnot, so  
22 if there's no ACORN on either side and whatnot then  
23 there has to be consideration in a lot of these  
24 contracts and change orders; catch them by surprise  
25 when we're routinely getting overbilled. It's



2 Local Law 18 of 2012 that requires the City to give  
3 the Council quarterly reports on significant cost  
4 overruns in capital projects, so I am eager to work  
5 closely with you and your team so that when the  
6 Mona Lisa that we paid \$10 for, we cancel that  
7 contract and when we paid a million dollars for the  
8 Mona Lisa, but they're charging us a billion where  
9 we're realizing that there was an issue with that  
10 contract. I went to high school in the Bronx. I  
11 went to Bronx Science. The Preliminary Plan  
12 includes funding for a new Bronx Police Defense  
13 Unit to address the high volume of Bronx cases  
14 brought against the Police Department in State  
15 Court. Why is that? What's going on with there  
16 and what are the schools?

17 ZACHARY CARTER: I think that it has  
18 been effective. We needed that influx of lawyers  
19 just to keep pace with the filings against the NYPD  
20 in that borough. Without those additional lawyers,  
21 we could not target cases, both for dispositive  
22 motion practice and gear up selected cases,  
23 particularly the ones that appear to have high  
24 values and high demands for trial. You know, I  
25 think that we've had substantial success at both

2 the disposing of cases by dispositive motion and  
3 success at trial as well, but I think it'll take  
4 time to see what the long term impact of the  
5 program has been, but I certainly support it  
6 continuing and encourage the Council to support it.

7 CHAIRPERSON KALLOS: Thank you, and in  
8 wrapping up and again, thank you for your patience  
9 on fielding all these questions. The November Plan  
10 included funding of \$1.2 million in Fiscal Year  
11 2015 for the Senior Counsel Program. Can you tell  
12 us a little bit about it and what it is intended to  
13 achieve?

14 ZACHARY CARTER: I mean one of the  
15 things that... I mean I've spent a good part of my  
16 career in government, both in the federal  
17 government in the Department of Justice and also  
18 with the DA's office in Brooklyn. I have never  
19 been at an agency whose bench strength was as deep  
20 and whose talent base is as deep and to a large  
21 extent, I think it's because of the Senior Counsel  
22 Program. I mean it's probably no industry or line  
23 of work where the Peter Principle can manifest  
24 itself more; possibly in public education where you  
25 remember your favorite teacher was taken out of the

1 classroom and promoted to being a lousy principal  
2 or a guidance counselor, but that manifests itself  
3 in public law offices as well. Through the Senior  
4 Counsel Program we can keep excellent attorneys  
5 doing what they do best. If they're great  
6 appellate lawyers, they can keep doing it. If  
7 they're great trial lawyers, they can keep doing  
8 it. If they have no interest in or aptitude for  
9 management, they can still get a decent raise and  
10 support themselves and their families and that's  
11 what the Senior Counsel Program does, and the proof  
12 is in the pudding. We have... I have never been in  
13 an organization of lawyers where there's so many  
14 careerists and really, and not careerists who are  
15 hanging on; careerists who are really, really good  
16 at what they do and I think the Senior Counsel  
17 Program is what supports that.

18  
19 CHAIRPERSON KALLOS: I think you're the  
20 first person to bring up Peter Drucker in a context  
21 of government, so actually my senior thesis in SUNY  
22 Albany was on the Peter Principle and  
23 implementing... recommending implementation of  
24 exactly what you just said, so that is absolutely  
25 fascinating. Thank you so much. Sorry for running

behind and look forward to working with you and your large firm of attorneys in making sure that the City saves as much as we can and defends as much as we can and acknowledges where we're wrong and quickly settles things to make people whole and moves our city along. Thank you very much.

ZACHARY CARTER: Thank you.

CHAIRPERSON KALLOS: Now I'd like to welcome the newly appointed Commissioner of the Department of Citywide Administrative Services, Stacey Cumberbatch. Thank you for waiting an hour. I'm sorry that we are running behind. I'd like to congratulate you on your appointment. I'd like to thank you for your long career of service. We missed you when we were doing the FISA and OPA testimony, as I'm sure you would've just as at home there. We look forward to working with you.

The Department of Citywide Administrative Services, DCAS, is responsible for many citywide functions and ensures that city agencies have the critical resources and support needed to provide the best possible services to the public. In Fiscal Year 2015 Preliminary Budget, funding for DCAS totals \$1.14 billion, with the

2 majority allocated towards paying the heat, light  
3 and power bills for all city agencies, which is  
4 budgeted at \$800 million.

5 During today's hearing we will examine  
6 many of the aspects of DCAS's operations and how  
7 they impact the City's budget; specifically, we  
8 would like to discuss the City's energy policy; the  
9 efforts to centrally manage and lower cost for City  
10 vehicles, fleet, citywide procurement and  
11 contracting and asset management. We want to talk  
12 about efforts to reduce citywide spending by  
13 leveraging the City's purchasing power and  
14 implementing strategies to streamline various  
15 citywide operations. In the wake of Superstorm  
16 Sandy, we would like to hear details of the City's  
17 Resiliency Plan moving forward. There's a lot to  
18 talk about, so whenever you're ready, we would like  
19 to hear your testimony. Thank you so very much.

20 COMMISSIONER CUMBERBATCH: If you could  
21 just give us a couple of minutes. My staff is  
22 still coming into the room and we're transitioning  
23 out the prior panel.

24 CHAIRPERSON KALLOS: We will recess  
25 for...

2 COMMISSIONER CUMBERBATCH:

3 [interposing] Two minutes.

4 CHAIRPERSON KALLOS: For two minutes.

5 COMMISSIONER CUMBERBATCH: Thank you.

6 [gavel]

7 CHAIRPERSON KALLOS: Governmental

8 Operations Committee is now back to order. [gavel]

9 So we now have testimony from Commissioner Stacey

10 Cumberbatch for the Department of Citywide

11 Administrative Services. Sorry to keep you

12 waiting. Thank you for the brief break. I really

13 appreciated it, and without further ado, you do so

14 many things, so let's try to cover it.

15 COMMISSIONER CUMBERBATCH: Great. Good

16 afternoon, Chair Kallos and members of the

17 Governmental Operations Committee. I'm Stacey

18 Cumberbatch, Commissioner of the Department of

19 Citywide Administrative Services. I'm joined right

20 next to me by Rich Badillo, our Chief Financial

21 Officer for DCAS, as well as members of our Senior

22 Executive team from DCAS in the audience. We're

23 here today to discuss the plan expenditures and

24 revenues for FY '14 and FY '15, as well as

25 highlights of the DCAS Capital Plan. Thank you for

2 the opportunity to appear before you today. I look  
3 forward to working with all of you in the days to  
4 come.

5 DCAS ensures that city agencies have  
6 the critical resources and support needed to  
7 provide the best possible services to the public in  
8 six key areas. Asset Management: We provide safe,  
9 clean and efficient office space for the City's  
10 workforce through our management of 55 public  
11 buildings, 15 million square feet of owned space  
12 and over 21.5 million square feet of leased space.  
13 We also purchase, sell and lease real property and  
14 locate and secure space for City agencies, with a  
15 focus on more efficient use of office space as an  
16 important cost saving action that also improves  
17 delivery of City services. Since 2010, Asset  
18 Management has been working to achieve the goal of  
19 reducing City office space by 1.2 million square  
20 feet by June 2014. With the sales of 346 Broadway  
21 and 49-51 Chambers Street in the fall of 2013, DCAS  
22 surpassed this goal by six months early.

23 Human Capital: We provide civil  
24 service administration for over 200,000 city  
25 workers in 40 mayoral agencies and 44 other

governmental entities. We annually test over 100,000 candidates for civil service exams, respond to approximately 13,000 calls and emails related to NYCAPS, which is the New York City Automated Personnel System and train 17,000 City employees through more than 1,350 classes. We are continuing to expand eHire, an applicant tracking system and a fundamental addition to the NYCAPS system. There are 47 agencies currently on eHire, with additional mayoral and non-mayoral agencies expected to join later this year. Through eHire, the City's recruitment and hiring processes are uniform, streamlined and automated so that the City can attract a large and diverse pool of qualified candidates.

Third, Citywide Diversity and EEO: We are responsible for the creation and execution of diversity and inclusion strategies for the City and for guiding mayoral agencies in devising and carrying out their annual Diversity and Equal Opportunity plans. We've launched the Citywide Diversity Initiative, which rests on three strategic plans: workforce, workplace and community. This launch was accompanied by



2 extensive changes to our charter mandated annual  
3 agency EEO plans. These plans, which we have  
4 received from all agencies now have specific  
5 strategies with diversity and inclusion commitment  
6 statements from Commissioners, actions for targeted  
7 recruitment and development of City employees, best  
8 practices in selection and steps taken to provide  
9 inclusive services to our diverse New York City  
10 communities. Engagement among EEO officers has  
11 greatly increased through the establishment of the  
12 Citywide Diversity and EEO best practices group,  
13 focused on strategy, metrics and professional  
14 development.

15 Fourth, Purchasing: We purchase,  
16 inspect and distribute supplies and equipment at  
17 the lowest net cost and assist in the disposal of  
18 surplus heavy equipment and goods. We purchase  
19 approximately \$1.2 billion annually in goods and  
20 services for the City through 1,000 citywide  
21 requirement contracts and one-time purchases. We  
22 leverage the City's purchasing power to obtain the  
23 most competitive prices for goods and services by  
24 aggregating demand and consolidating contracts. We  
25 seek to maximize MWBE vendor participation by

2 conducting outreach and regularly representing the  
3 agency at vendor work fairs. We also strive to  
4 obtain local sources for goods and services to  
5 promote the local economy. One example of this is  
6 the recent implementation of price preferences and  
7 extensive outreach to New York State food growers  
8 and producers to procure locally sourced food  
9 products. These efforts have improved the quality  
10 and freshness of the produce purchased by the City,  
11 reduced transportation costs and impacts and  
12 increased support of sustainable food production.

13 Fifth, Fleet: We monitor City agency  
14 fleets and City overall compliance with fleet  
15 purchasing laws and environmental goals. We help  
16 manage nearly 27,000 light, medium and heavy duty  
17 vehicles, representing over \$2 billion in assets.  
18 The fleet includes 6,070 alternative fuel units.  
19 The majority of these fleet assets are operated by  
20 10 agencies: Police; Fire; Corrections;  
21 Sanitation; Environmental Protection;  
22 Transportation; Parks; Mental Health and Health;  
23 Department of Education and DCAS. We provide  
24 maintenance and repairs; claims; parts; leasing;  
25 auction and information management services to 50

2 City agencies that operate vehicles as well. In  
3 addition, we manage the City's fueling contracts  
4 and infrastructure that encompasses the purchase  
5 and use of 29 million gallons annually. We also  
6 lead citywide fleet initiatives, including a number  
7 of Vision Zero initiatives and shared servicing.

8 Energy Management: We pay, monitor and  
9 report on the heat, light and power budget for City  
10 agencies and others, which is \$8 million in FY '14.  
11 To control energy costs, DCAS is engaged in the  
12 following: we review utility costs for potential  
13 savings, we work directly with agencies through  
14 incentive programs and energy efficient projects  
15 and we analyze volumes of data to identify the most  
16 cost-effective and energy-saving projects. DCAS  
17 leads the efforts to accomplish the City's goal of  
18 reducing energy consumption and greenhouse gas  
19 emissions from City government operations 30  
20 percent by 2017, as outlined in PlaNYC. Our  
21 primary goals are to reduce and manage energy uses  
22 to invest in projects and operations that reduce  
23 cost and to support city agencies in these efforts.

24 So let me turn now to DCAS  
25 expenditures. DCAS expense budget reflects funding

2 of \$1.2 billion in FY '14 and \$1.1 billion in FY  
3 '15. Included in the funding is our budgeted head  
4 count of 1,962 people in the current fiscal year  
5 and 1,964 in FY '15. The majority of our planned  
6 expenditures, as I stated earlier, \$800 million in  
7 both FY '14 and FY '15, is allocated for Citywide  
8 energy expenses. DCAS continues to work closely  
9 with agencies citywide to enhance the energy  
10 performance of their facilities through a range of  
11 programs, which includes retrofitting equipment,  
12 improving operations and maintenance and training  
13 and outreach to reduce the City's energy costs.

14 DCAS Revenues: The total DCAS revenue  
15 budget is \$317 million in FY '14 and \$60.5 million  
16 in FY '15. The difference is primarily due to the  
17 income in FY '14 from the sales of 49-51 Chambers  
18 and 346 Broadway, which total \$214.2 million. Our  
19 largest source of recurring revenue is the  
20 commercial rentals of city-owned property,  
21 projected to be \$41.9 million in FY '15. The major  
22 sources of rental income are from ground leases for  
23 Grand Hyatt Hotel, which is \$9.5 million; Carnegie  
24 Hall, which is \$8.4 million annually and the  
25 Archive in Greenwich Village at \$8 million.

2 Another significant revenue source is the sale of  
3 surplus vehicles through auto auctions managed by  
4 DCAS fleet. The planned revenue from the auto  
5 auctions is \$4.7 million in FY '15. DCAS Citywide  
6 Purchasing oversees the sale of non-vehicle surplus  
7 goods at public auctions, internet and by  
8 competitive sealed bids. The FY '15 Preliminary  
9 Budget assumes \$2.2 million in proceeds from the  
10 sale of surplus goods in FY '15. DCAS also  
11 receives revenue from applicant filing fees for  
12 civil service examinations. DCAS anticipates  
13 collecting \$3.5 million in FY '15 from these fees.

14 Turning to DCAS's New Needs: Now I'd  
15 like to discuss major expense budget adjustments  
16 for DCAS reflected in the FY '15 Preliminary  
17 Budget. DCAS received expense funding for Citywide  
18 initiatives, such as post-Sandy Emergency Planning,  
19 Employee Diversity and Inclusion Training for  
20 agencies citywide and the establishment of an  
21 eLearning Program. The FY '15 Preliminary Budget  
22 also contains funding for Life and Safety projects,  
23 as well as other mandated expenses.

24 DCAS Citywide Initiatives: DCAS played  
25 a vital role during Superstorm Sandy by assisting

2 with emergency procurement needs, providing  
3 emergency fueling sites and the towing of disabled  
4 and abandoned vehicles from city streets. The FY  
5 '15 Preliminary Budget contains \$475,000 for the  
6 hiring of six post-Sandy emergency staffing  
7 positions, including four procurement staff, who  
8 will be responsible for developing citywide  
9 procurement contracts to be used by City agencies  
10 in the event of an emergency including ambulance  
11 services, temporary shelter services, emergency  
12 equipment rental and security services. The  
13 remaining two positions are allocated for Citywide  
14 fleet. These positions will work with the Office  
15 of Emergency Management in the development of  
16 protocols for emergency operations such as fuel  
17 operations, debris management transport and towing  
18 of disabled vehicles. Citywide EEO received  
19 \$100,000 in the current fiscal year and \$75,000 in  
20 FY '15 to provide City employees with mandated  
21 diversity and inclusion training called Everybody  
22 Matters. Human Capital is preparing a blended  
23 learning platform, which allows student and  
24 instructors to interact in the classroom or  
25 remotely through computer or other mobile

2 technology. The platform will enable employees to  
3 participate in training classes from their work  
4 sites. Programming will include mandated  
5 compliance training; for example, annual Department  
6 of Investigation Corruptions Prevention Awareness,  
7 as well as professional development. The FY '15  
8 Preliminary Budget contains \$153,000 and two  
9 positions dedicated to the rollout of this  
10 particular Citywide initiative.

11 Life and Safety: DCAS received  
12 \$440,000 in FY '14 for life and safety needs such  
13 as purchasing of pest management equipment and the  
14 rental of sidewalk sheds and scaffolding at various  
15 locations.

16 Mandates: In compliance with the  
17 United States Department of Justice court mandated  
18 order for the creation of a new FDNY Fire  
19 Department examination, a consultant was retained  
20 for development of the test that was determined in  
21 spring 2012 and from which new classes of  
22 firefighters are being selected. This consultant  
23 will still be required for services such as the  
24 administration of make-up exams and to provide  
25 expert testimony to support any legal challenges.

2 DCAS received \$310,000 in baseline funding for  
3 these anticipated expenses.

4 DCAS Capital: Now I'll turn to DCAS's  
5 Capital Plan, which totals \$1.1 billion together  
6 for FY '14 and FY '15. DCAS is undertaking a  
7 number of major construction equipment and energy  
8 conservation initiative. Highlights of our program  
9 include: DCAS's capital construction programs for  
10 city-owned buildings in FY '14 and '15 totals \$464  
11 million. Electrical upgrade at the Brooklyn  
12 Municipal building located at 210 Joralemon Street;  
13 a rehab of elevators at 253 Broadway; a new  
14 community court at 444 Boyland Street in  
15 Brownsville, Brooklyn; new elevators at the Queens  
16 Supreme Court located at 88-11 Sutphin Boulevard in  
17 Jamaica, Queens.

18 Construction to Support Civic Center  
19 Programs: DCAS has allocated \$106 million for  
20 ongoing work to renovate office space for tenants  
21 relocating from 346 Broadway and 49-51 Chambers  
22 Street. Sites include \$42 million for work at 1  
23 Centre Street; \$27 million for work in leased  
24 facilities; \$15 million for work at 100 Gold  
25 Street.



2 DCAS's capital program for construction  
3 and outfitting of leased space in FY '14 and '15  
4 totals \$108 million. Projects include: an  
5 alternate data center for FISA, Financial  
6 Information Services Agency; relocations from 40  
7 Rector Street to 100 Church Street for the Civilian  
8 Complaint Review Board; the Office of  
9 Administrative Trials and Hearings; the Campaign  
10 Finance Board; the Department of Environmental  
11 Protection; relocation of the Taxi and Limousine  
12 Commission and the Office of Administrative Trials  
13 and Hearings from 32-02 Queens Boulevard to 31-00  
14 47th Avenue in Long Island City; improvement to  
15 office space and licensing customer service area  
16 for the Department of Consumer Affairs in Lower  
17 Manhattan.

18 There is \$352 million in capital  
19 funding allocated for Citywide energy conservation  
20 projects managed in FY '14 and in FY '15. Projects  
21 include lighting upgrades; occupancy center  
22 installations; high efficiency motor installations  
23 for mechanical and plumbing systems; building  
24 envelope upgrades; building controls; cool roof  
25 coatings and clean energy installations. The new

2 ACE program has launched another round this year  
3 and has expanded funding potential for agency  
4 identified projects to conserve energy and reduce  
5 costs.

6 DCAS received \$22 million in capital  
7 funds and \$3.8 million in expense funds for 330  
8 units of additional emergency and storm-related  
9 equipment for use by city agencies. 200 light  
10 towers were received by agencies including police.  
11 DCAS has placed orders for 35 fuel trucks and is  
12 completing contracts for generators, forklifts and  
13 water pumps.

14 DCAS is implementing a capital project  
15 for \$6.75 million to complete a Citywide rollout of  
16 the EJ Ward fuel tracking system. This rollout  
17 includes a CANceiver units for each vehicle that  
18 will be downloaded... that will download vehicle  
19 engine information including speed, idling,  
20 braking, seat belt operation, acceleration and  
21 location information. This system will greatly  
22 enhance our understanding of driver habits and the  
23 ability to analyze and prevent collisions.

24 In 2013, DCAS completed rollout of a  
25 new fleet management and maintenance tracking

1 system called NY Fleet Focus. This effort is part  
2 of a two-year \$5.4 million capital project with  
3 AssetWorks. In 2014, DCAS has begun Phase II of  
4 this project, which includes the City's first  
5 Citywide Collision management system called CRASH.  
6 All City fleet collisions will be tracked in CRASH,  
7 enabling the City to analyze collisions in improved  
8 ways and assist the efforts of the Law Department  
9 to address claims and litigation.  
10

11 Conclusion: Thank you for the  
12 opportunity to testify about DCAS, our planned  
13 expenditures for FY '14 and FY '15, as well as our  
14 capital commitment plan, and I'm please to take any  
15 questions at this time.

16 CHAIRPERSON KALLOS: Thank you very  
17 much for your great testimony that fell well short  
18 of your colleague's at Board of Elections at 45  
19 minutes. So thank you very much. The  
20 administration energy policy will have a  
21 significant impact on both the City's Expense  
22 budget, which includes approximately \$800 million  
23 for citywide heat, light and power budget and for  
24 the over \$450 million for energy efficient related  
25 capital projects. The Director of OMB has

testified that the de Blasio administration intends to continue much of the previous administration's energy policy. Do you plan to propose new investments or direct more researches towards energy policy initiatives? Yeah, that'll... I'll start...

[crosstalk]

COMMISSIONER CUMBERBATCH: Right.  
We...

[crosstalk]

CHAIRPERSON KALLOS: With that one.

COMMISSIONER CUMBERBATCH: We're joined at the table by the Deputy Commissioner for Energy, Kristin Barbato, who will answer that question.

DEPUTY COMMISSIONER BARBATO: Thank you, council members and Commissioner Cumberbatch. My name is Kristin Barbato and I can help answer that question. I think it was actually in two parts, if I'm correct. The first part was the HLP budget and the second part was investment in energy efficiency construction projects. Great. So there's basically two things that we concentrate on in the energy management team. One is commitment to long term sustainability and energy efficiency

2 and we manage the HLP budget to be the most  
3 effective use of budget dollars for the agency's  
4 use of energy in their governmental operations.  
5 The second is the range of capital and operational  
6 programs designed to improve energy efficiency in  
7 the municipal buildings. We do plan to continue  
8 this capital plan as well as expense dollars for  
9 operational types of programs to do so several  
10 things in our municipal operations. I can go into  
11 any detail that you'd like, but yes, there is...  
12 the bottom line is yes, we plan to continue doing  
13 these types of projects.

14 CHAIRPERSON KALLOS: In the interest of  
15 time, if you can just provide a list to us after  
16 the hearing to my analyst, John Russell, that would  
17 be incredibly helpful. Does the City anticipate a  
18 significant increase in heat, light and power  
19 expenditures in Fiscal Year 2014 because of the  
20 severity of the weather this winter?

21 DEPUTY COMMISSIONER BARBATO: No, the  
22 answer is no, we don't expect any large increase or  
23 disparate from FY '14. We still are looking at the  
24 budget numbers, as we have several inputs that we  
25 take from around City agencies, but the prevailing

2 knowledge is that no, we will not have a  
3 significant difference.

4 CHAIRPERSON KALLOS: Will you share  
5 your secret for how you did that?

6 DEPUTY COMMISSIONER BARBATO: Energy  
7 efficiency projects.

8 COMMISSIONER CUMBERBATCH: And actually  
9 it's really... honestly, it's through the very  
10 careful management of the City's energy costs that  
11 the Deputy Commissioner's group does on a daily  
12 basis. They monitor each agency's cost based  
13 almost on a real time basis, right?

14 DEPUTY COMMISSIONER BARBATO: Yes.

15 COMMISSIONER CUMBERBATCH: So we know  
16 and have that data to give feedback to agencies on  
17 how they are you know, using their energy and they  
18 too have been educated. There are building  
19 managers and operators on what they need to do to  
20 keep that cost in check.

21 CHAIRPERSON KALLOS: I would love to  
22 publicize your program and announce a victory lap  
23 with you at some point so that the media can see  
24 some of the great work we're doing. Along those  
25 lines, it sounds like the agencies are being fairly

2 cooperative, but how does DCAS incentivize agencies  
3 to minimize unnecessary energy uses?

4 DEPUTY COMMISSIONER BARBATO: Sure.

5 There's a couple of ways. First we have, as the  
6 Commissioner pointed out, a lot of detailed  
7 reporting so that they have access to what their  
8 energy usage and the costs are so that on a monthly  
9 basis they can review those costs. Secondly, we  
10 have an education program through the Energy  
11 Management Institute, which we partnered through  
12 CUNY to provide education to the City employees.  
13 Third, we have retrofit and other types of programs  
14 that we use. One that the Commissioner mentioned  
15 is the ACE program. It was newly implemented in  
16 this past year to have agency initiated programs or  
17 projects rather than meet certain criteria for  
18 energy efficiency and cost savings and we help  
19 provide funding and oversight for those projects.

20 CHAIRPERSON KALLOS: Thank you very  
21 much. More on energy efficiency: so one of my  
22 favorite laws is now... I thought it was Open Data.  
23 I actually got to testify on that, but it's now  
24 becoming Local Law 18 of 2012, which requires the  
25 City to give the Council quarterly reports on

2 significant cost overruns in capital projects.  
3 This year's report included energy efficiency  
4 projects contracted with New York Power Authority  
5 for which costs have risen from about \$600 million  
6 to over \$1 billion. The reason provided was that  
7 since the inception of the project a new statutory  
8 requirement was created to reduce greenhouse gases  
9 by 30 percent. What were the original targets and  
10 why have the new targets increased the budget so  
11 significantly?

12 DEPUTY COMMISSIONER BARBATO: To  
13 clarify, I think the budget itself has actually  
14 been about the same year on year for the last  
15 several years on the order of about \$80 million per  
16 year, but the uptick that occurred in FY '14  
17 appears because there had been a lag in the  
18 commitments in registrations for projects. Over  
19 the course of this past year, we have increased the  
20 commitments and registrations to align with the  
21 plan and you'll see that going forward the  
22 allocations for the capital commitment are on about  
23 par with what the budget is.

24 CHAIRPERSON KALLOS: Continuing with  
25 the energy efficiency, which is again, one of the



greatest things that DCAS does and a whole boatload of things that DCAS does great, the capital plan includes an energy efficiency lump sum capital project line with planned commitments totally approximately \$80 million. Can you provide a list of all energy efficiency capital projects on which DCAS is currently working and the yearly budget savings for each project that it's estimated to generate?

COMMISSIONER CUMBERBATCH:

[interposing] Mm-hm.

CHAIRPERSON KALLOS: And you don't have to do that right now.

COMMISSIONER CUMBERBATCH: We'll provide that to you.

CHAIRPERSON KALLOS: Thank you very much. with regard to alternative energy sources, do you believe that alternative energy sources such as solar, wind or natural gas are a way in which the City can achieve budget savings?

DEPUTY COMMISSIONER BARBATO: Yes, in fact, we do have several programs that are... we have several projects that are with alternate energy resources as well as renewable energy

resources and because of the huge portfolio of various types of facilities and buildings that we have in City government, a portfolio of resources is a great way to manage that.

CHAIRPERSON KALLOS: On that note, in the face of our city and country looking at foreign sources of energy, anything we do to decrease our dependence and avoid having to build pipelines from other countries would be greatly appreciated. Is there any ability for you to invest in local energy that's being created right here? So just to plug my own district because that's part of why I'm here, Roosevelt Island has the RITE project, R I T E, Roosevelt Island Title Energy and we're harvesting energy from the East River. I'm not specifically requesting that, but if we can invest in energy in this local New York City area that creates jobs that can't be outsourced and renewable sources of energy, it would be greatly appreciated. Is there a way that that can happen?

COMMISSIONER CUMBERBATCH: I mean yes to all of that. I mean I think...

CHAIRPERSON KALLOS: [interposing] Wow.

2 COMMISSIONER CUMBERBATCH: I think what  
3 we're saying...

4 [crosstalk]

5 CHAIRPERSON KALLOS: Thank you.

6 [crosstalk]

7 COMMISSIONER CUMBERBATCH: Is that what  
8 this program does is looking at... first of all, we  
9 have a diverse building portfolio.

10 CHAIRPERSON KALLOS: Mm-hm.

11 COMMISSIONER CUMBERBATCH: And as the  
12 Deputy Commissioner tried to explain is that it's  
13 not one size fits all, so it's like we're looking  
14 for all types of tools that might be available to  
15 reduce our energy consumption; to grow the economy;  
16 to source locally where we can, so I think the  
17 point is you know, in a very managed fashion we are  
18 open to looking at new ideas and experimentation.  
19 I think that's what the ACE program seeks to do, is  
20 on a small scale look to agencies to pilot new  
21 initiatives that can test out you know, the  
22 feasibility of using different types of energy  
23 conservation efficiency tools. So yes, the answer  
24 is we would be more than open to looking at those  
25 alternative renewables that are locally sourced.

2 CHAIRPERSON KALLOS: With regard to the  
3 city, so thank you very much for all that you're  
4 doing and look...

5 [crosstalk]

6 COMMISSIONER CUMBERBATCH: Thank you.

7 [crosstalk]

8 CHAIRPERSON KALLOS: Forward to a more  
9 detailed report. I'm going to move onto Citywide  
10 Fleet Division.

11 COMMISSIONER CUMBERBATCH: Certainly.  
12 Why don't you just introduce yourself?

13 KEITH KERMAN: Keith Kerman, the Chief  
14 Fleet Officer.

15 [Response not heard]

16 KEITH KERMAN: I'm sure every agency  
17 would say no. We reduced in 2013 500 light-duty  
18 non-emergency vehicles, a fleet reduction that we  
19 implemented to try and address you know, where  
20 there might've been surplus.

21 [Responses not heard]

22 KEITH KERMAN: Yes.

23 [Response not heard]

24 KEITH KERMAN: They were sold through  
25 surplus auction, which DCAS manages.

[Response not heard]

COMMISSIONER CUMBERBATCH: [off mic] We can find that out, right?

KEITH KERMAN: We can find that out. It varies by type.

COMMISSIONER CUMBERBATCH: Mm-hm.

[Response not heard]

COMMISSIONER CUMBERBATCH: Mm-hm.

KEITH KERMAN: One of the projects that was described in the Commissioner's testimony is to put CANceivers on City vehicles and the CANceiver is a GPS and automatic vehicle location unit, so we're rolling that out now; we plan to be complete this year; for 15,000 vehicles and then the vehicles that won't... that are separate are in the emergency services that have already some form of AVL or GPS.

[Pause]

KEITH KERMAN: We'll get...

[crosstalk]

CHAIRPERSON KALLOS: Thank you.

KEITH KERMAN: Yeah, we'll get an extraordinary amount of additional information from this system to be able to manage the fleet; look at

efficiencies; look at areas where we can better share vehicles, so yes.

COMMISSIONER CUMBERBATCH: So I think the point of rolling out the CAN... how do you pronounce it, CANceiver?

KEITH KERMAN: CANceiver.

COMMISSIONER CUMBERBATCH: CANceiver, okay. Which is in part a GPS tool, but certainly provides a lot more data on the behavior of the vehicle, is that we're going to for the first time establish a baseline to understand how our vehicles are being utilized because that data will be uploaded to a system and we can do a lot of analysis around that. So you know, that will assist in figuring out well, are there underutilized vehicles in certain divisions; for example, of an agency or you know, are a particular set of vehicles from an agency getting into more accidents than they should and what... you know, all that type of information. It's going to be a very rich dataset on which our consolidated fleet program can figure out what's going on and get a good picture and make recommendations and those recommendations should translate into actual policy

2 implementation or changing of how we operate you  
3 know, the fleet depending on the agency, so that's  
4 the point. So right now we rolled out to what  
5 agencies, the CANceiver?

6 KEITH KERMAN: Right now, the Parks  
7 Department, the Taxi Limousine fleet; not the  
8 taxis, but the taxi city-owned vehicles; the  
9 Department of Corrections are the agencies we're  
10 rolling out to now.

11 CHAIRPERSON KALLOS: So I'm actually  
12 joined here by one of my policy interns; actually,  
13 my Policy Director, Paul Westrick [phonetic] and  
14 one of my policy interns, Mark Cheney [phonetic].  
15 We had... concerns were raised by my constituents  
16 relating to snow plows and we requested a lot of  
17 that data, the GPS data.

18 COMMISSIONER CUMBERBATCH: Mm-hm.

19 CHAIRPERSON KALLOS: I also said my  
20 other favorite law is Open Data. How soon can we  
21 start getting that GPS data publicly released in as  
22 close to real time as possible so that a council  
23 member such as myself doesn't have to rely on  
24 snow... PlowNYC to see a visual representation, but  
25 I can actually crunch the data and figure out how

often and how frequently we were getting plowed and where.

KEITH KERMAN: The system you are referring to is managed by the Department of Sanitation, not DCAS, so that would be a question...

COMMISSIONER CUMBERBATCH:  
[interposing] You're talking about the GPS information on the Sanitation plows.

CHAIRPERSON KALLOS: Yeah.

COMMISSIONER CUMBERBATCH: That's within their purview, not DCAS's.

CHAIRPERSON KALLOS: But are the Sanitation trucks part of Fleet or...

COMMISSIONER CUMBERBATCH: Okay, so why don't you explain what consolidation is and what bill is managed by the agency.

CHAIRPERSON KALLOS: Fair enough.  
Thank you. Sorry.

KEITH KERMAN: So the Department of Sanitation fleet of about 5,500 vehicles is absolutely part of the 27,000 vehicle that we described as part of the City fleet. There are some initiatives that are managed centrally, but



there are certainly many aspects of fleet operation that are done out of agencies. So the specific program you're referring to on plow tracking is not a central initiative. That is an initiative that is managed by the Department of Sanitation directly.

CHAIRPERSON KALLOS: Okay and but with regard to the vehicles with CANceivers, how soon can we expect that data to be...

[crosstalk]

COMMISSIONER CUMBERBATCH: As we stated, we are just rolling it out to...

[crosstalk]

CHAIRPERSON KALLOS: Yep.

[crosstalk]

COMMISSIONER CUMBERBATCH: Agencies, so you know, we're getting data. I mean as we get data from different agency behaviors and we can certainly share that, but I think what we're trying to do is roll it out more globally citywide to get a baseline of what's going on in the city you know, so that we can really analyze that and have that, but as we roll out the complete agencies and have a little time, you know, to see and gather the data,

certainly we can you know, review what we're seeing. But it's obviously preliminary you know, for an agency. It's not giving you, you know, a view over time. It's giving you maybe a snapshot. You know, let's say we put on... we finish Parks today; maybe it's been in place for a month. That's maybe not as rich of a dataset to really give you an understanding of what's going on over you know, a period of time.

CHAIRPERSON KALLOS: I agree and I am glad to have you as a Commissioner so we can discuss things like datasets. I'm going to move onto post-Sandy Resiliency Plan.

COMMISSIONER CUMBERBATCH: Okay.

CHAIRPERSON KALLOS: So thank you very much.

COMMISSIONER CUMBERBATCH: Thank you.

CHAIRPERSON KALLOS: And I'm really excited with what you're doing with Fleet.

[background voice]

COMMISSIONER CUMBERBATCH: Okay, great.

CHAIRPERSON KALLOS: DCAS capital program for Fiscal Years 2014 to 2017 includes \$150 million for Citywide resiliency measures and \$78.7

2 million for agency specific facility and  
3 operational protective measures in the wake of  
4 Superstorm Sandy. Can you provide more detail on  
5 the post-Sandy resiliency plan and how this funding  
6 will be used?

7 RICHARD BADILLO: I'm not sure the  
8 funding that you're referring to. We have expense  
9 dollars in our budget and we also have capital  
10 dollars in this fiscal year of \$3.8 million  
11 expense. [off mic] Do you think we need that?

12 CHAIRPERSON KALLOS: We're not going to  
13 invite you back if you break our stuff. Okay.

14 RICHARD BADILLO: Someone... that was  
15 the Law Department or no, the Board of Elections  
16 you mentioned. Yeah, I'm aware of \$3.8 million  
17 expense dollars this fiscal year and \$22 million in  
18 capital dollars. Now, the numbers you're referring  
19 to I don't recollect how they... here they are  
20 within our budget, the category of those dollars.

21 COMMISSIONER CUMBERBATCH: So say the  
22 number again. Uh-huh.

23 CHAIRPERSON KALLOS: Fiscal Years 2014  
24 to 2017 includes \$150 million for Citywide  
25 resiliency and \$78.7 for agency specific...

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2 COMMISSIONER CUMBERBATCH: Citywide.

3 CHAIRPERSON KALLOS: It's in the

4 capital plan.

5 RICHARD BADILLO: Yeah, we... mm-hm.

6 CHAIRPERSON KALLOS: As a lump sum

7 line.

8 RICHARD BADILLO: Yeah, it may be a

9 citywide number and those dollars...

10 [crosstalk]

11 COMMISSIONER CUMBERBATCH: Meaning it's

12 not necessarily Citywide Administrative Services.

13 Meaning it's...

14 [crosstalk]

15 RICHARD BADILLO: Right.

16 [crosstalk]

17 COMMISSIONER CUMBERBATCH: Citywide...

18 CHAIRPERSON KALLOS: So...

19 [crosstalk]

20 COMMISSIONER CUMBERBATCH: Allocated

21 across agencies.

22 CHAIRPERSON KALLOS: If you don't mind,

23 we may have just found you some money, so let's get

24 our respective staffs together and we'll figure out

25

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2 whether that money belongs to you or whether or not  
3 it was...  
4 [crosstalk]  
5 COMMISSIONER CUMBERBATCH: We'll take  
6 it.  
7 [crosstalk]  
8 CHAIRPERSON KALLOS: On the wrong  
9 budget.  
10 RICHARD BADILLO: Right. Just talk to  
11 75 Park Place so that you can do the reallocation  
12 according to their approvals.  
13 CHAIRPERSON KALLOS: Two years ago, so  
14 next... is that the 21st Century Civic Center plan?  
15 COMMISSIONER CUMBERBATCH: Uh-huh.  
16 RICHARD BADILLO: Mm-hm.  
17 COMMISSIONER CUMBERBATCH: [off mic]  
18 Yep.  
19 JOEY KOCH: Hi, I'm Joey Koch. I am  
20 the Chief Asset Management Officer at DCAS. How  
21 are you?  
22 CHAIRPERSON KALLOS: Great. Thank you  
23 all for being here. This... you guys are great.  
24 Two years ago, the Bloomberg Administration  
25 proposed a 21st Century Civic Center plan in which

2 the City would sell city-owned buildings while  
3 consolidating or renovating leased and existing  
4 city-owned spaces. Can you give us an update on  
5 this plan?

6 JOEY KOCH: So we closed on two of the  
7 buildings. We sold 346 Broadway and 49-51  
8 Chambers. 346 Broadway closed for \$140 million  
9 minus \$15 million for the community space that we  
10 negotiated with the Council and with the Borough  
11 President and 49-51 Chambers sold for \$125.1  
12 million. We are in the process of moving everybody  
13 out and we have identified all space. In fact, the  
14 vast majority of 346 Broadway is moving out this  
15 spring and most of 49-51 is already moved, so we  
16 are moving along very nicely. There are provisions  
17 in the lease that... it's a leaseback so there are  
18 provisions that if we're not out of the lease by a  
19 certain time, we're going to be paying charges at  
20 very penalties for not getting out and we are right  
21 in line with those measures that are in the  
22 leaseback.

23 CHAIRPERSON KALLOS: And so in your...  
24 so there's a net there of \$265 million from the two  
25 buildings... \$214 million from the two buildings.

2 JOEY KOCH: Yes.

3 CHAIRPERSON KALLOS: And then in your  
4 testimony, we spent 100... we're spending 160...  
5 \$106 million to renovate the new space that we are  
6 moving into.

7 COMMISSIONER CUMBERBATCH: For all the  
8 different agencies, yeah. Right?

9 JOEY KOCH: Yeah, so we...

10 [crosstalk]

11 CHAIRPERSON KALLOS: And...

12 [crosstalk]

13 JOEY KOCH: Generated...

14 [crosstalk]

15 CHAIRPERSON KALLOS: So it's...

16 [crosstalk]

17 JOEY KOCH: Over \$200 million in  
18 revenue. I have a feeling of where this question  
19 is...

20 CHAIRPERSON KALLOS: [interposing] Yes.

21 JOEY KOCH: Leading to. We're  
22 stating...

23 CHAIRPERSON KALLOS: [interposing] And  
24 again, this wasn't your decision. This was an  
25 administrative decision, I'd like to understand...

2 JOEY KOCH: [interposing] Well, we're  
3 saving \$120 million in operating expenses, so 49-51  
4 we spend \$3 million a year just in energy costs in  
5 that one building and we are also saving \$300  
6 million at minimum of unfunded capital improvements  
7 for those buildings. They're very, very old. They  
8 were bought in the 1960s to be torn down to build a  
9 very, very large Civic Center building that  
10 would've eclipsed 1 Centre Street now. That's just  
11 the history of the buildings and when the City has  
12 just never really taken care of the buildings, so  
13 they're incredibly expensive to operate and they  
14 would've been beyond expensive to restore and  
15 continue operating for City employees. So we don't  
16 have the money to actually continue to maintain  
17 them and redo everything that had to be done on the  
18 buildings.

19 CHAIRPERSON KALLOS: And continuing  
20 with the original plan was out of the question.

21 JOEY KOCH: Say that again.

22 CHAIRPERSON KALLOS: And continuing  
23 with the original plan of razing the buildings and  
24 putting up a larger Civic...  
25



2 JOEY KOCH: [interposing] That was  
3 scratched during the financial crisis in the '70s.

4 [crosstalk]

5 COMMISSIONER CUMBERBATCH: In the early  
6 '70s.

7 JOEY KOCH: And they're landmark  
8 buildings so we couldn't even...

9 CHAIRPERSON KALLOS: Okay.

10 JOEY KOCH: It wouldn't have been...

11 [crosstalk]

12 COMMISSIONER CUMBERBATCH: Things have  
13 changed since that time.

14 JOEY KOCH: Yeah, it wouldn't even be  
15 considered in this day and age of architecture and  
16 what you do and don't forget, these buildings are  
17 also blocks away and that was going to be one giant  
18 building. It was going to go from Chambers Street  
19 all the way essentially to above Worth Street. I  
20 mean that's how big that massive speaks...

21 [crosstalk]

22 CHAIRPERSON KALLOS: Would I have had a  
23 window in that building? [laughter]

24 JOEY KOCH: I'm sorry?  
25

2 CHAIRPERSON KALLOS: I was making a  
3 joke. So what is the... in terms of the cost  
4 savings, how much is it per year that we're going  
5 to be projecting versus had we stayed at 3346  
6 Broadway and 49-51?

7 JOEY KOCH: Well, the projection, it's  
8 going to be a projection of \$120 million per year  
9 that we're going to be saving over 20 years.

10 CHAIRPERSON KALLOS: So that's \$2  
11 million plus dollars that we will save or it's \$120  
12 million over 10 years?

13 JOEY KOCH: It's \$120 million over the  
14 20 years.

15 COMMISSIONER CUMBERBATCH: [off mich]  
16 Oh, It's over the 20 years.

17 JOEY KOCH: Yeah, but that's...

18 [crosstalk]

19 CHAIRPERSON KALLOS: Okay, so...

20 [crosstalk]

21 JOEY KOCH: Not including the  
22 unfunded...

23 COMMISSIONER CUMBERBATCH:  
24 [interposing] Capital.  
25

2 JOEY KOCH: Capital expenses that we  
3 would have had to put into the buildings.

4 CHAIRPERSON KALLOS: So it comes out to  
5 about \$6 million a year that we're saving.

6 JOEY KOCH: Well, it's actually more  
7 than that because again...

8 [crosstalk]

9 CHAIRPERSON KALLOS: The... plus the...

10 [crosstalk]

11 JOEY KOCH: The unfunded...

12 [crosstalk]

13 CHAIRPERSON KALLOS: \$300 and...

14 [crosstalk]

15 JOEY KOCH: Capital...

16 CHAIRPERSON KALLOS: [interposing] Yes.

17 JOEY KOCH: Is not included.

18 COMMISSIONER CUMBERBATCH: Which is not  
19 insubstantial, right? I mean so...

20 CHAIRPERSON KALLOS: I didn't...

21 [crosstalk]

22 COMMISSIONER CUMBERBATCH: You know, as  
23 you said....

24 [crosstalk]

2 CHAIRPERSON KALLOS: I don't make \$6  
3 million a year, so...

4 COMMISSIONER CUMBERBATCH:  
5 [interposing] No, but I'm say... I know, but  
6 because the buildings are old...

7 CHAIRPERSON KALLOS: [interposing] Yes.

8 COMMISSIONER CUMBERBATCH: The  
9 capital... the projected capital investments we  
10 would've had to make in those buildings was quite  
11 substantial.

12 JOEY KOCH: Right. I mean unfunded and  
13 when I say unfunded, we never did a true  
14 analysis...

15 COMMISSIONER CUMBERBATCH:  
16 [interposing] Right.

17 JOEY KOCH: Because it was going to be  
18 hundreds and hundreds of hundreds of millions of  
19 dollars that there was no way the City was going to  
20 give us to redo the buildings. I mean that's how  
21 bad... that's how bad these buildings are and the  
22 shape of the buildings. They... you know, these  
23 are very old buildings that the City bought 50, 60  
24 years ago and there was never any work done on the  
25

2 buildings like the façade and they were landmark  
3 buildings, so...

4 COMMISSIONER CUMBERBATCH:

5 [interposing] Right.

6 JOEY KOCH: They're... when I say we  
7 would have had to spend hundreds and hundreds of  
8 millions of dollars and had to issue bonds and all  
9 of that sort of thing, we are saving more than \$6  
10 million a year.

11 COMMISSIONER CUMBERBATCH: And then  
12 also remember we're putting up... those buildings  
13 will be back on the tax roll for the City.

14 JOEY KOCH: Yes.

15 CHAIRPERSON KALLOS: Perfect.

16 COMMISSIONER CUMBERBATCH: They've been  
17 sold to private...

18 JOEY KOCH: [interposing] Developers...

19 [crosstalk]

20 COMMISSIONER CUMBERBATCH: Entities.

21 [crosstalk]

22 JOEY KOCH: Yes.

23 COMMISSIONER CUMBERBATCH: So.

24 CHAIRPERSON KALLOS: I would love to  
25 know the tax revenue we'll be getting, but that's

1           amazing, and then are there any additional  
2           buildings that DCAs is putting up for sale in the  
3           coming year?

4                       COMMISSIONER CUMBERBATCH: At the  
5           moment you know, we have nothing planned, but  
6           obviously as we look at our portfolio and make  
7           decisions and consolidate office space, there  
8           possibly could be, but I can't say there's anything  
9           right now immediate.

10                      JOEY KOCH: We had an auction last year  
11           that generated \$17 million that was separate than  
12           the giant sale of these two buildings 'cause we  
13           have a bunch of random lots and random buildings  
14           throughout the city, but we usually work... if  
15           there's going to be a giant sale like the Civic  
16           Center, we usually will work in partnership with  
17           EDC or if HPD comes to us and they have identified  
18           sites that might be under DCAS jurisdiction, we  
19           usually work in partnership with them and they'll  
20           usually be the leader of those projects.

21                      CHAIRPERSON KALLOS: There is empty  
22           lots that we sold for \$17 million?

23

24

25

2 JOEY KOCH: This was a combination of  
3 various building and due to fleet consolidation,  
4 there was a garage that we sold for \$13 million.

5 COMMISSIONER CUMBERBATCH: We can give  
6 you the list of the properties that...

7 CHAIRPERSON KALLOS: [interposing]  
8 Absolutely.

9 COMMISSIONER CUMBERBATCH: Were part of  
10 that auction.

11 [crosstalk]

12 CHAIRPERSON KALLOS: If there's like  
13 vacant lots or things like that, we're desperate  
14 for parks in certain places...

15 COMMISSIONER CUMBERBATCH:  
16 [interposing] Yeah.

17 [crosstalk]

18 CHAIRPERSON KALLOS: Or schools.

19 [crosstalk]

20 COMMISSIONER CUMBERBATCH: Our vacant  
21 lots you know, we had a City Council hearing on  
22 this a couple... probably a month ago now. Most of  
23 our... the lots that we have left in our portfolio  
24 what we call little, irregular slivers of lots that  
25 are really not developable; not developed type land

and usually it's a program where it's an adjacent property owner can purchase it. You know, whether any of them could be suitable for parks is probably... it's not in our portfolio. Our portfolio had really been shrunk down to you know, in terms of vacant lots, the things that nobody wants; unmapped streets, easements, little types of different types of lots and we have a listing of all of those and...

[crosstalk]

CHAIRPERSON KALLOS: I'd...

[crosstalk]

COMMISSIONER CUMBERBATCH: What that program is.

CHAIRPERSON KALLOS: Love to go over that with you and...

[crosstalk]

COMMISSIONER CUMBERBATCH: Mm-hm.

CHAIRPERSON KALLOS: If we can...

[crosstalk]

JOEY KOCH: We can certainly send the list of what's in your district, but having grown up in your district, I can tell you there is...



COMMISSIONER CUMBERBATCH:

[interposing] It's very small.

JOEY KOCH: Going to be... it's going to be very, very small.

COMMISSIONER CUMBERBATCH: What street?

JOEY KOCH: 57th Street.

CHAIRPERSON KALLOS: Thank you. Family still there?

JOEY KOCH: Yes.

CHAIRPERRSON KALLOS: I will do my best to represent them. Thank you. Thank you very much for your testimony and enlightening me about what was going on with that. I'm glad we get to have these hearings so we can talk about everything. DCAS is responsible for procuring... so procurement...

COMMISSIONER CUMBERBATCH: Yes.

CHAIRPERSON KALLOS: Okay, DCAS is responsible for procuring a wide range of goods and services as part of many City agencies. In total, how much does DCAS spend in a Citywide procurement and can you talk about some large scale purchases DCAS makes?

2 COMMISSIONER CUMBERBATCH: [off mic]

3 Make sure you introduce yourself.

4 ROBERT CLEARY: Yes, I'm Robert Cleary.

5 I'm the acting Chief Acquisition Officer here.

6 DCAS spends about \$1.2 billion a year and the

7 largest purchases that we make typically are

8 vehicles, fuel, security guards and some energy

9 related projects.

10 CHAIRPERSON KALLOS: And so what

11 efforts are in place to ensure that the City is

12 leveraging its purchasing power to ensure it's

13 getting the best deals possible in regard to

14 Citywide procurement? And I feel that with a \$70

15 billion budget, we are a market actor and we can

16 make... sorry, marker maker, not just an actor.

17 ROBERT CLEARY: Citywide procurement

18 focuses on consolidating contracts, as mentioned in

19 the testimony, aggregating Citywide demand wherever

20 possible, identifying those common shared service

21 contracts so they can be consolidated across

22 agencies, unifying the specifications and achieving

23 the best service levels; the best cost; best unit

24 cost by aggregating the demand for those services.

25 So some examples of that are security guards,

2 language services, a broad variety of standard  
3 services that we've been consolidating. Over the  
4 last three years we've been really working on this  
5 service. Before that, we were focused on goods  
6 purchasing. We still do a lot of goods purchasing.  
7 We also consolidate demand there as well and so we  
8 aggressively seek to negotiate lower prices where  
9 possible. We work with our client agencies and  
10 work with the Mayor's Office of Contract Services  
11 to identify opportunities to do additional  
12 consolidation.

13 CHAIRPERSON KALLOS: What about local  
14 purchasing and supporting city businesses?

15 ROBERT CLEARY: We do everything we can  
16 to do outreach for... with Small Business Services.  
17 We work closely with them. We target MWBEs  
18 whenever possible, following the rules. We are...  
19 we work with SBS, particularly to identify certain  
20 contracts that perhaps they can find a market for  
21 that don't traditionally have MWBE or their local  
22 services providing those services and they work  
23 with them to develop their skills and be able to  
24 respond to the... we... and one of the things that  
25 was mentioned in the testimony was the local food

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2 preferences. We did extensive outreach with the  
3 Cornell Extension and the State Agriculture  
4 Department and implemented those food preferences  
5 during the beginning of Fiscal '14, end of Fiscal  
6 '13 for this year's contracts and that  
7 significantly increased. We identified nearly \$1  
8 million worth of locally sourced foods and food  
9 products, producers and processors that we now  
10 procure for our City agencies.

11 COMMISSIONER CUMBERBATCH: [off mic]

12 And what percentage does that represent? Did that  
13 represent...

14 ROBERT CLEARY: [interposing] Well, for  
15 dairy products it was about 87 percent.

16 COMMISSIONER CUMBERBATCH:

17 [interposing] [off mic] Right.

18 ROBERT CLEARY: And for fruits and  
19 vegetables it was something less than that.

20 COMMISSIONER CUMBERBATCH: [off mic] 47  
21 maybe?

22 ROBERT CLEARY: I think I have it here,  
23 27 percent.

24 COMMISSIONER CUMBERBATCH: [off mic]

25 Oh, okay.

CHAIRPERSON KALLOS: Can you lower the cost of milk?

ROBERT CLEARY: We... in some cases yes. In some cases, the local sources were identified. They were the low bid in absolute terms. Food markets are highly volatile, so you know, taking a single point is probably not the most effective way to determine whether there's a trend there or not, but I think that we aggregate the food purchasing for Corrections, HRA and ACS and I think there are instances where clearly we're getting the best price because of that aggregate demand.

CHAIRPERSON KALLOS: Speaking of contracting, what opportunities do we have when New York City needs something that Los Angeles needs and that Austin needs and that Boston needs for us to start doing joint purchasing and there's another market actor that's bigger than we are, which is the federal government? Are there opportunities for us to engage in joint purchasing and procurement so that we can split the cost between cities instead of us just footing the whole bill?

ROBERT CLEARY: Well, there's a number of different things going on in procurement; public procurement. For a long time we've had the right to access other governmental contracts, so if somebody else has already done the solicitation; GSA, OGS or another municipality or state and they have a good deal and we have the ability to go through processes to register a contract with those terms and access that pricing. We... also cooperative purchasing is now allowed to be used. Cooperative purchasing is a particular type of effectively intergovernmental purchasing. It was not allowed by state law until recently, but the law has changed and that allows you to work with a national cooperative to solicit for your products in a way that other municipalities and state entities and public entities are anticipated to use and so by aggregating that demand on a national scale, you can do what you can to leverage that pricing. We do use GSA pricing in some instances. We do use OGS pricing in some instances and there are several different avenues there. This is not specifically working with other entities. Now, if you're actually working with Los Angeles or

1 Chicago, we have written some of their contracts  
2 and they have the ability to write ours. There are  
3 significant procedural hurdles to putting together  
4 a contract that includes both municipalities; for  
5 instance, in a solicitation as the co-issuers, but  
6 we did recently issue a solicitation that included  
7 the specifications for paper for Long Island,  
8 Nassau and Suffolk and that's on a small scale, so  
9 we are inching our way into regional procurement.  
10 As far as nationally, you have to find products  
11 that... the delivery terms in New York City are  
12 significantly different than the delivery terms in  
13 Los Angeles. The transportation costs are  
14 different. There are a lot of logistical issues,  
15 so you have to be very careful about how you  
16 structure that. It doesn't mean it can't be done  
17 though.

19 CHAIRPERSON KALLOS: If there's  
20 anything we can do to enable that, please let us  
21 know. In your testimony, you mentioned Minority  
22 and Women Owned Business Enterprises. I am a...  
23 I'm the sole male member of the Women's Issues  
24 Committee. Can you tell us about overall  
25 performance and what percentage of your current

contracts are being issued to MWBEs, as well as any plans to improve that?

COMMISSIONER CUMBERBATCH: So remember, we're reporting on DCAS's WMBE...

CHAIRPERSON KALLOS: [interposing] Mm-hm.

COMMISSIONER CUMBERBATCH: Because it's Small Business Services and MOCS that oversee and report on the Citywide...

CHAIRPERSON KALLOS: [interposing] Yes.

COMMISSIONER CUMBERBATCH: WMBE, you know, numbers.

ROBERT CLEARY: So our year-to-date number through the second quarter was 53 percent awarded to MWBE for categories tracked by the laws. We're striving to meet the goals, of course, or surpass the goals of Local Law 129 and Local Law 1. Last year, our performance was about 47 percent for the year as an entirety.

COMMISSIONER CUMBERBATCH: Yeah, that's for DCAS.

ROBERT CLEARY: For DCAS.

COMMISSIONER CUMBERBATCH: Right.



2 ROBERT CLEARY: Yes. And as far as  
3 outreach, we do extensive outreach. We visit  
4 vendor fairs. We work very closely with SBS, as I  
5 had mentioned. We're building application that  
6 will enhance our ability to access vendors in the  
7 SBS database. There are apparently 16,000 vendors  
8 there and sometimes it's difficult to identify  
9 those at the moment that you need a product for a  
10 relatively small purchase, so we're building an  
11 application that feeds that data so that we can try  
12 to track down that information and bring those  
13 vendors into the process with SBS. We've been  
14 working with them on that.

15 CHAIRPERSON KALLOS: I'd like to  
16 move... thank you for all the great answers.  
17 You're doing great work and I look forward... if  
18 there's anything we can do to enable joint  
19 contracting with other municipalities or regional  
20 or whatnot, it's my job to enable any cost savings  
21 that you can find. So thank you. On civil service  
22 exams, I wanted to just ask why take... in an  
23 effort to ensure timely administration of civil  
24 service exams, DCAS reports that last year the  
25 median time for an exam administration to hiring

list distribution was 344 days. Why does it take so long to establish those hiring lists and how can we make that process quicker?

COMMISSIONER CUMBERBATCH: Go ahead and introduce yourself.

MARIA DIPAOLO: My name is Maria DiPaola. I'm the City's Chief Human Capital Officer. We have a process for exams that basically covers a number of steps. On a relatively simple open competitive exam, it takes about eight months to get from the point of giving the exam to having the list ready. At that point, we have been giving agencies an additional 60 days in what we call list publication to give agencies a chance to look at what the list will be for them and to plan the replacement of provisionals and the use of that list to fill vacancies. About half of the time for multiple choice open competitive exams; exams open to the public; is devoted to giving people the opportunity to protest the answers that we've released as tentative answers for our written questions and the other part of it on E&E exams, we give candidates a couple of months to basically apply... to tell us what we've

misinterpreted, if we have, to protest their score on the E&E exams. So there's a lot of protections build in for the candidates in that process. Promotion exams are a little faster, but again, it depends on the complexity of the test and the size of the population. We...

CHAIRPERSON KALLOS: [interposing]

But...

MARIA DIPAOLA: Mm-hm.

CHAIRPERSON KALLOS: So I've been unemployed and one of the things that I've always recommended to people is the civil service exams...

MARIA DIPAOLA: Mm-hm.

CHAIRPERSON KALLOS: What we're talking about here from somebody becoming unemployed and taking the civil service exam, having their unemployment benefits...

[crosstalk]

MARIA DIPAOLA: Mm-hm.

CHAIRPERSON KALLOS: Before they can even get onto a hiring list and then be considered; how can we...

COMMISSIONER CUMBERBATCH : So...

[crosstalk]

2 CHAIRPERSON KALLOS: What can we do to  
3 fix this so that it's... things are happening as  
4 quickly as possible and people can get jobs now?

5 COMMISSIONER CUMBERBATCH: Right. So  
6 as the Chief Human Capital Officer you know,  
7 explained, there are certain time constraints built  
8 into the process, right, that we have to... the 60  
9 days for people to protest the exam results, et  
10 cetera, so there's a certain fixed time. Having  
11 said that, yes, there should be ways that we can  
12 establish a list quicker and some of the things  
13 we've looked at and that have been implemented is  
14 the walk-in centers...

15 MARIA DIPAOLA: [interposing] Right.

16 COMMISSIONER CUMBERBATCH: That we have  
17 one located here in Downtown Manhattan at 2  
18 Lafayette, there's one in Brooklyn at 210  
19 Joralemon. We have two in the pipeline to be open  
20 in Queens and Staten Island and what these walk-in  
21 centers do is it's a computer-based exam system  
22 where one comes in you know, obviously registers  
23 for the exam and they do the exam... an automated  
24 version of the exam and they get their results  
25 almost instantaneously...

[crosstalk]

MARIA DIPAOLA: Yes.

[crosstalk]

COMMISSIONER CUMBERBATCH: I believe.

MARIA DIPAOLA: Mm-hm.

COMMISSIONER CUMBERBATCH: And those are the instances in which we can obviously produce a list very quicker because we have it automated. So the goal is to increase the use of that type of tool to automate exams and have them easily you know, administered so that people can come into these walk-in centers and we don't have to reserve a school on a certain date. It's quite a production to give a civil service exam, so the more that we use these new types of tools, the faster it will allow us to administer the exam; grade it; establish the list. That takes a little time. We give... how many test do we give in a year?

MARIA DIPAOLA: About 120 a year.

COMMISSIONER CUMBERBATCH: We give 120 a year. You know, it's a complicated process. You know, there are you know, things that we have to do to develop those tests to make sure they're valid,

et cetera, so yes, the answer is we're doing... we're going to look at all kinds of ways to lessen the time from the time someone takes the test to the time a list is established, obviously understanding that you know, people when they take a test they have the expectation of it's not going to take a long time for a list to come out and for it to then go through the whole agency hiring process.

CHAIRPERSON KALLOS: Whatever I can do to help fix this problem. If there's overregulation...

COMMISSIONER CUMBERBATCH:  
[interposing] Mm-hm.

CHAIRPERSON KALLOS: I can't change the constitution.

COMMISSIONER CUMBERBATCH: Mm-hm.

CHAIRPERSON KALLOS: I can't change federal laws; can't do much on the State Constitution or the State laws, but if it's a City issue and it's not really the City Charter, but a City...

COMMISSIONER CUMBERBATCH:  
[interposing] You got it.

CHAIRPERSON KALLOS: Law where somebody was trying to protect somebody, when we get to a point where it's taking so long to do the test just because we're trying to give everyone their due process and whatnot, we're actually harming more than we're helping, so I am committed to working with you on that, so if you have any program bills and changes...

COMMISSIONER CUMBERBATCH:

[interposing] Okay.

CHAIRPERSON KALLOS: I'm happy to work...

[crosstalk]

COMMISSIONER CUMBERBATCH: Mm-hm. Yes.

CHAIRPERSON KALLOS: With you...

COMMISSIONER CUMBERBATCH:

[interposing] Right, we appreciate it.

[crosstalk]

CHAIRPERSON KALLOS: And the... and labor advocates and whomever I need to to make sure that everyone understands the concessions that are being made so that people can get jobs as soon as possible. I know the hour is late and I know that we're running long. I'm going to have three more

2 questions and then we will... John Russell will be  
3 in touch to follow up with any additional questions  
4 just so that everyone can get back to their jobs,  
5 and thank you all for coming out in such force.

6 COMMISSIONER CUMBERBATCH: Mm-hm.

7 Thank you.

8 CHAIRPERSON KALLOS: With regard to  
9 Citywide procurements and goods and services, DCAS  
10 has an average number of bidders per bid as part of  
11 the performance report and it's declined from 4.6  
12 in 2011 to 3.1 in 2013. With the assumption that  
13 competition is good and helpful...

14 COMMISSIONER CUMBERBATCH:

15 [interposing] Mm-hm.

16 CHAIRPERSON KALLOS: What efforts is  
17 DCAS taking to maximize competition in the  
18 procurement process and is, in fact, that  
19 competition a good thing?

20 ROBERT CLEARY: This is Robert Cleary  
21 again. We made a change in our process at that  
22 time. we went to advertising exclusively on City  
23 Record Online and through the City Record.  
24 Previously, we had sent out postcards notifying  
25 vendors of bids for a long time. It's an expensive



process, so it was intended to be more efficient. A lot of vendors are actually starting to work more online, of course, and we've done what we can to increase our outreach as a result because we did see that drop in the number of bidders per bid for solicitation and we make sure that we identify all the vendors that we possibly can through the City's vendor lists; through our own internal list. We do additional outreach. It is coming back up and vendors also are starting to get used to using City Record Online. They can download our bids there. It's a very convenient process and in the long run, I think that it'll climb back to where it was, but we're... it's a manual process to make sure that we reach out to vendors and get them involved.

COMMISSIONER CUMBERBATCH: Mm-hm.

ROBERT CLEARY: In some instances.

CHAIRPERSON KALLOS: Thank you. On the City office space... I'm sorry for jumping around. I know I mean other people have to get up and down. The PPMR indicates that the average office space per employee is 280 square feet, which is actually larger than my studio apartment on the Upper East Side was a couple of years back and actually,

larger than even I think my office at 250 Broadway.  
How is the square footage per employee calculated  
and why is this number so high? What is being done  
to use the City's office space more efficiently and  
what is being done to fill the city's 15 percent  
vacancy rate at desks?

JOEY KOCH: So you know, one of the  
reasons why we did the Civic Center in the first  
place is that we did a massive desk audit and there  
were teams of people who literally went to every  
single agency and counted every single desk to see  
how many were...

[crosstalk]

CHAIRPERSON KALLOS: Thank you.

[crosstalk]

JOEY KOCH: Vacant and whatnot. We are  
planning on doing something like that again 'cause  
I think it's important to constantly measure how  
much space people are taking and certainly now with  
the new administration, who may have a different  
view of office space and whether people should be  
working in an open plan or a non-open plan, to take  
a look to see how people are going to be thinking  
about office space and this new administration it's

important to get a sense of what those numbers are going to be like now, so we are going to be looking at that again. All the moves that have been going on in the past two or three years are open plan, so you know, it's going to be interesting to see what the difference is going to be.

CHAIRPERSON KALLOS: Thank you very much. with regard to procurement, will you be open to legislation that... you're good... that will remove the obligation for publishing the City Record and replace that with just an electronic publishing requirement?

COMMISSIONER CUMBERBATCH: I mean certainly, as long as there is always a provision upon request if people want a hard copy version you know, but you know, but the default should be online, but I guess I'm saying as long as you know, we're open for people that need to have a print version for doing it upon request.

CHAIRPERSON KALLOS: As long as it's revenue generating, then I just wouldn't want to continue it at a cost.

[crosstalk]

2 COMMISSIONER CUMBERBATCH: Right. No,  
3 right, right, but you know I just... we want to be  
4 mindful that everyone is not online and we need to  
5 understand that there is a divide, a digital divide  
6 that still exists and...

7 [crosstalk]

8 CHAIRPERSON KALLOS: Yes.

9 [crosstalk]

10 COMMISSIONER CUMBERBATCH: We want to  
11 make sure that in trying to be efficient on one  
12 hand, we're not you know, closing off access on the  
13 other. That's the only thing that I would say, but  
14 certainly we are open.

15 CHAIRPERSON KALLOS: Look forward to  
16 working closely with all of you.

17 [crosstalk]

18 COMMISSIONER CUMBERBATCH: Thank you.

19 [crosstalk]

20 CHAIRPERSON KALLOS: Thank you all for  
21 coming out. John Russell will be following up  
22 by...

23 COMMISSIONER CUMBERBATCH:  
24 [interposing] Thank you very much.

25 [crosstalk]

CHAIRPERSON KALLOS: Later on everything else. Thank you for coming out and sorry for the wait. So much to do. See you guys back for the final budget.

[Pause]

CHAIRPERSON KALLOS: We're going to recess for about two minutes. [gavel] I hereby call the Governmental Operations Committee back to order. I'd like to welcome the newly appointed Commissioner of the Department of Records and Information Services, affectionately known as DORIS, and our new Commissioner, Pauline Toole. Congratulations on your appointment. We look forward to working with you.

The Commissioner of the Department of Records and Information Services serves as the Chief Archivist, Librarian and Records Officer for the Mayor, Borough Presidents and the City Council, people like me. Today, we will discuss the Department's 2015 Preliminary proposed budget, operational performance and ideas you may have to improve the Department's efforts to fulfill its mission. Please proceed with your prepared remarks whenever you're ready and just by way of

background, I... we have so many documents that we produce as a government and it provides such a challenge and I know how much of a challenge it is and how much it costs because in 2007, I noticed that the voting records for the legislature weren't online and that bothered me, so I started going through the task of putting them online. So I got all the floor votes online and all the committee votes for the Senate online. To this day, I have not gotten the Assembly Committee voting records online because they actually write all the votes on slips of paper this large on carbon paper, which is almost illegible, and I think I went as far as scanning 8,000 committee votes into the record before I gave up because I couldn't... I didn't have the manpower to digitize things beyond that and it was me on my part doing it, but you have tremendous responsibility. These documents matter. They have historical significance and ultimately, when the Fourth Estate is trying to hold people like me and the Mayor and the Borough Presidents accountable, you're the only one who's going to have many of those records, so thank you for your hard work, and without further ado.

COMMISSIONER TOOLE: Thank you, Council Member. I appreciate that opening and I'm going to start just by saying my name is Pauline Toole. I am truly the new Commissioner at the Department of Records and Information Services, having been there just a few days, and I am joined today by some key staff: Ken Cobb, who's to my right who's the Assistant Commissioner who's been at the agency for a long time and knows everything about our holdings; Eileen Flannelly, who is our Deputy Commissioner; Naomi Pacheco, who's our Director of Personnel; Joe Mathis at the end, our Director of Budget and Pearl Boatswain, who oversees Record Management.

I think we are very clear that we don't have all the answers today. We're... DORIS is kind of emerging from sort of a little bit of a sleepy period over the past several years, and we're looking forward to refocusing on our mission of maintaining records and actually providing information services to the City, public and electeds. So just I'm going to give a little background on the agency. It was established in 1977 and it is a Charter agency. It has three

primary functions: retaining and evaluating record, archiving historically significant records and making materials available to the elected officials and the public. So the Municipal Archives preserves and maintains accessible a collection consisting of 221,000 cubic feet of historical records. This includes official correspondence; maps; drawings; film; more than two million photographs of all sorts of things throughout the city. You will see, we've passed around some exhibits I think attached to our testimony that show the kind of records that DORIS maintains, and just as an aside, there are like original documents copied there from 16...

ASSISTANT COMMISSIONER COBB: 1640.

COMMISSIONER TOOLE: 16... the 1640s that deed property to Dutch settlers. There's a picture of Paul Robeson speaking at a Union Square rally. There's a picture that would look very current to you if you leaf through those photos, which I trust the Council staff has circulated, and one at the outset is of a terrible explosion that happened on Prince Street that looks very much like a recent event we saw in East Harlem, so these



2 kinds of photographs illustrate so much that's gone  
3 on in the City past that is relevant to today.

4 We serve about 50,000 customers  
5 annually and we operate a search service and a copy  
6 service for vital records. Just starting in  
7 January, DORIS teamed up with ancestry.com in a  
8 pilot program to make our records available to  
9 people. They have a link and that has driven  
10 traffic to our website and the preliminary results  
11 show that revenue has increased over the same  
12 period from last year.

13 In addition, the City archivists survey  
14 and appraise agency records to determine their  
15 archival value. Those that are designated as  
16 archival are catalogued and housed and sometimes  
17 restored following preservation standards. We  
18 manage a research room open to the public and a  
19 conservation lab that is really quite amazing and  
20 we have both microfilm and digital studios.

21 The City Hall Library, which I hope you  
22 have visited, is the official repository for City  
23 reports and provides public access to an extensive  
24 collection of government publications, as well as  
25 providing an online presence for an ever expanding

2 collection of City agency publications. The hard  
3 copies in the library provide the public both  
4 contemporary and historical information about the  
5 City government, dating back to the 1600s. We are  
6 converting several of these holdings to digital  
7 formats to protect them and improve public access.

8 Finally, our Records Management  
9 Division operates two storage facilities with a  
10 combined capacity of 869,000 cubic feet. That's a  
11 lot of documents, as you can imagine. We provide  
12 Records Management services to 50 City agencies, 10  
13 courts and the five District Attorneys. The  
14 services include scheduling disposal and retrieval  
15 and overall guidance on managing the records.

16 DORIS also administers approximately \$1  
17 million annually in grant funds from New York State  
18 for records programs managed by other City  
19 agencies, and we also received \$301,872 in direct  
20 grants during Fiscal 2014, broken down as follows:  
21 from the Local Government Records Management  
22 Improvement Fund, which is known as LGRMIF, we  
23 receive a little over \$74,000 to continue re-  
24 housing the New York City Police Department's crime  
25 scene photographs and another LGRMIF grant for

2 records management is about \$200,000 and that funds  
3 our Grant Management Administration Unit that  
4 oversees the other funding that comes from the  
5 state. Finally, we have a National Endowment for  
6 the Humanities Grant of \$27,000 to index and re-  
7 house the New York County District Attorney's  
8 closed case files from 1916 to 1925.

9 The Preliminary Budget provides a total  
10 allotment of \$5,073,506, which includes Personal  
11 Service funding for approximately \$2,042,000 to  
12 maintain our full-time 37 full-time equivalent head  
13 count and the proposed OTPS funding of \$3,031,000  
14 is largely for storage costs.

15 The agency is mindful of our mission to  
16 make City records available to the public and we  
17 are intent on finding ways to inform the public and  
18 City officials of available information. One giant  
19 leap in attaining that goal was the creation in  
20 2012 of a Visitor Center, located adjacent to the  
21 City Hall Library at 31 Chambers Street. It's open  
22 to the public and has mounted 16 exhibits over the  
23 last couple of years including one titled "*How'm I*  
24 *Doin' A Look back at the Mayoralty of Ed Koch,*" and  
25 our current exhibit, which focuses on "*African*

*American Women and the Military from World War II and Beyond."*

We also are exploring opportunities for expanded community engagement. We understand that the records... as records don't mean much if you can't get them out to people and make them sort of interactive. So the archives contains records that show the evolution of every City neighborhood and we look forward to working with schools and libraries to put together mini exhibits that form the basis for oral histories and other kinds of community engagements.

In terms of accessibility, we've been very successful with our online digitized photo collection. We have the largest online collection of City pictures; New York City pictures with over 870,000 images, and every day our photo director posts interesting shots on Tumblr to help increase public interest and drive more traffic to the photo site.

These exhibits; this information can help New Yorkers explore links to the past that may have impacts today, but we also know that most New Yorkers who want to delve into agency information

and records want to go online to get that information and to that end, the agency is focused on improving online access. The City passed Local Law 11 in 2003, which, in part, mandated agencies to provide electronic copies of reports to DORIS for online publication within days of issuance. The law also required consultants' reports to be made available in this same manner. DORIS posts all reports within the 10-day timeframe and most of them are up within three days. We have received and posted 7,287 reports since the law took effect and are now undertaking a review of agency compliance with this Local Law. We will provide you with the results of the review. This administration takes the responsibility of accessing and posting the reports of agencies very seriously and we will be working with all of our colleagues to ensure compliance.

We also plan to work with the Law Department and City agencies to evaluate the current record retention policy and processes. With today's technology, it should be possible to digitize routine records at the point of issuance,

2 index them appropriately, store them in the cloud  
3 and make them readily available.

4 Finally, we have a little bit of a  
5 challenge in that the passage of another landmark  
6 piece of Council legislation in 2012, the Open Data  
7 Law, requires the City to make available relevant  
8 data online. The huge datasets, the data sharing  
9 and application development is creating numerous  
10 opportunities to link information from different  
11 agencies within the City and people are developing  
12 all sorts of applications, so eventually, which  
13 might even be right now, the applications that are  
14 developed, like so many other kinds of electronic  
15 records, need to be indexed and archived so that in  
16 50 years or in just a few years, people can go back  
17 and find them easily and use them for their own  
18 purposes at that time. Given the volume of data  
19 and the number of resulting applications that are  
20 expected, we would like to be involved with  
21 determining and following the best practices to  
22 index this material going forward. We think we're  
23 the ideal agency for this task and we're going to  
24 work collaboratively with our colleagues at the  
25 Mayor's office, the Department of Information

Technology and Telecommunications, Department of Citywide Administrative Services and the Office of Operations on this endeavor.

In closing, I welcome you and your colleagues and your staff to visit us across the street at 31 Chambers, and we look forward to answering any questions you may have.

CHAIRPERSON KALLOS: I am very impressed with your presentation. Thank you for the pictures, as well as the picture of our previous Mayor Koch with a celebrity, and also just placing the context of some of the things that history does repeat itself. So thank you for the presentation. Thank you for the work that you're doing. Are there any plans for DORIS or can I help facilitate a meeting between DORIS and Google so that we can make sure that our vast repository of information becomes search engine accessible? The [nycma.lunaimaging.com](http://nycma.lunaimaging.com) site is an incredible resource, but in a world where unless you're testifying unless it's being found on Google, it's not as useful. I would be... how can I help facilitate that?

COMMISSIONER TOOLE: Well, as you know, I'm just going to repeat what I've learned recently is that that site that hosts our records; our photos, the traffic was so extensive that it crashed the City government servers when people first began accessing those photos. So there is a lot of interest and we've been very responsive, but I take your point. We'd love to work with Google. We'd appreciate your assistance in making connections. I think I know someone there from way back when in my younger days, William Floyd, and look forward to working with him and figuring out some areas of partnership as well, so we'd totally love to work with you.

CHAIRPERSON KALLOS: You may actually have more access than I, so I'd just love to ride along with that meeting and making sure that we're search engine optimized. Are there any cost savings that we're finding in digitizing records? When we digitize a record do we have to keep the original and are we able to sell the original? What do we do with all these mountains and mountains of documents?



COMMISSIONER TOOLE: Well, I think that I'm going to just take a flier on this and if I get it wrong, Pearl's going to jump up and help me out, okay? A lot of the records that are stored are stored for a variety of purposes and they don't necessarily have historic significance. They may be needed in case there was eventual litigation. They may be needed because the City's record retention schedule was developed some decades ago and preserved records in a different way. So if you look at our OTPS, the bulk of it is for storing paper documents. Going forward, if those documents are stored electronically and can then be made available, that would certainly reduce storage costs, right? And there are those records that are of significance that people want to touch. They want to at least come close to touching or see and have... they want a tangible picture and they want a tangible record, not necessarily an image, and those would have to be preserved both ways. So there's probably some cost savings to be achieved over time, but at the moment, we're just taking baby steps forward there.

2 CHAIRPERSON KALLOS: Fair enough and  
3 we're talking about paper. You're not responsible  
4 for paintings like those, right?

5 COMMISSIONER TOOLE: Well, not like  
6 those, but we have some enormous maps and other  
7 like schematic drawings and such that are quite  
8 large. Ken, you want to describe our... any of our  
9 fabulous holdings?

10 ASSISTANT COMMISSIONER COBB: Yes, if  
11 you do get a chance to visit us in our new Visitor  
12 Center at Chambers Street, you'll see on the wall;  
13 it's probably 12 feet wide; it's a map of Central  
14 Park before the park and it shows all of the little  
15 villages and the buildings that were there before  
16 they constructed in the 1850s. It's really quite  
17 extraordinary, and that's just you know, one of  
18 thousands like that.

19 CHAIRPERSON KALLOS: How can we raise  
20 awareness around the Visitor Center so that we can  
21 increase tourism and revenue?

22 COMMISSIONER TOOLE: We will welcome...  
23 you know, put it in your newsletter that you know,  
24 we'll have little handouts you can distribute in  
25 your office; put it on your website. We're going

2 to do those things. We're going to explore  
3 partnerships with the...

4 CHAIRPERSON KALLOS: We can facilitate  
5 a partnership with New York City and Company, which  
6 is responsible for our City's tourism.

7 COMMISSIONER TOOLE: That would be  
8 perfect. That would be great. Yeah, that's  
9 some... an area where we can... where we can  
10 definitely work, and I know part of it is that it's  
11 sort of... it's in this great historic building and  
12 one limitation has been signage and we're going to  
13 look at creative ways to deal with signage that  
14 directs some of the tourists that come down over  
15 across the Brooklyn Bridge to the site. So there's  
16 a bunch of things to explore to sort of drive the  
17 numbers up, but anything... we would welcome all of  
18 your ideas.

19 CHAIRPERSON KALLOS: Fair enough. Is  
20 there any... have you had partnerships with the  
21 City Museum or is there an interest in doing shows  
22 with them to raise awareness around DORIS?

23 ASSISTANT COMMISSIONER COBB: We  
24 frequently loan items from our collections to the  
25 Museum of the City New York. In fact, this morning

2 I met with curators who are working on a 2015  
3 exhibition commemorating the 50th Anniversary of  
4 the Landmarks Legislation and so over the years,  
5 yes, we have collaborated with them. But we now  
6 have our own Visitor Center where we can exhibit  
7 our own holdings and try to get some interest from  
8 the public to come down to Chamber Street.

9 CHAIRPERSON KALLOS: Right.

10 COMMISSIONER TOOLE: And some of the  
11 things the Visitor Center has done is there was a  
12 book signing with Sam Roberts of *The New York*  
13 *Times*; Columbia University had an event there, so  
14 there is interest and it's just an amazing space,  
15 but we just have to get it out there and create a  
16 buzz.

17 CHAIRPERSON KALLOS: During the  
18 Bloomberg Administration, there was a proposal to  
19 merge DORIS into the Department of Citywide  
20 Administrative Services. Do you think it's a good  
21 idea to merge DORIS into DCAS? Are there any  
22 potential budget savings attributed to that sort of  
23 merger and do you believe DCAS would be equipped to  
24 assist DORIS with the conservation and archival  
25 functioning?

COMMISSIONER TOOLE: Mm-hm. We think that DORIS has a unique mission that was recognized by the City Council when the agency was founded and this holds true to this day. You've just heard from the DCAS Commissioner about her extensive work managing buildings and a fleet of the City and you know, so much else and this little mission of archiving records and making them available doesn't fit so neatly into that bigger portfolio. It really needs to be a separate entity, in part, for the reason you said earlier, that this is where you go to hold people accountable; find the documents to hold people accountable. But we will work closely with the Commissioner on transporting records and doing some digitization because there may be an economy of scale in acquiring of equipment that way.

CHAIRPERSON KALLOS: With regard to revenue sources, I see in your testimony you indicated different grants that you've been able to get. Are there additional grants that you think you could get? Could I be helpful in securing those and are there any opportunities from revenue from private partnerships?

COMMISSIONER TOOLE: I think there are lots of opportunities to create revenue that haven't been explored over the last several years. I will say that the staff at DORIS has worked extensively with the New York State Library and Archives and has both worked with other agencies to obtain grants to help them in their record retention and also to bring grants into DORIS for the archiving of our work. So they I think have... and they are constantly going to the NEH and the sort of traditional government funding organizations, but there is an opportunity to make history relevant to private funders potentially and you know, we look forward to work with the Mayor's fund on that project. And I tell you, Council Member, anything you can do to help us increase funding from private sources for record retention and archiving and making things digitized, we're open for it.

CHAIRPERSON KALLOS: Sounds like you know how you'd spend the money, but it sounds like it would be on digitization and improving the system. One piece is just a lot of the records that we're now creating are digital. One of the

1 things that the Mayor did differently is usually  
2 when you have a Public Advocate leave, all the  
3 data, everything they reported, all, everything  
4 from their websites disappears with them and the  
5 only way to find them is on the internet archive at  
6 archive.org and then you have to gamble on whether  
7 or not the crawler was able to permeate the  
8 website. Are there any efforts that you have to  
9 currently make sure that the previous nyc.gov and  
10 the upcoming nyc.gov is properly archived? Can I  
11 introduce you to my colleagues at Internet Archive  
12 and how can we create a policy or can I create a  
13 law to make sure that as council members, borough  
14 presidents, public advocates, mayors come and go  
15 that our internet assets remain available?

17 COMMISSIONER TOOLE: Right. It's a  
18 great question and in our testimony, we did refer  
19 to making other electronic records available and  
20 that is one of the things that that referenced.  
21 And it's not... I mean it is... it happens most  
22 frequently when elected officials come and go, but  
23 it happens often when agencies change their  
24 interface and they get rid of something from the  
25 past and you lose that, but we need that. We need

2 to retain that electronically, so yes, once again,  
3 we look forward to collaborating with you on  
4 figuring that out and working with various of the  
5 City's Library Science programs to figure out how  
6 to catalogue those materials so that you're getting  
7 the most relevant information and it's easy to  
8 access and you're not just going from place to  
9 place.

10 CHAIRPERSON KALLOS: Thank you for  
11 everything. Thank you for your calling and for  
12 what your organization will be doing and I look  
13 forward to working very closely with you over the  
14 coming years. Thank...

15 [crosstalk]

16 COMMISSIONER TOOLE: Thank...

17 [crosstalk]

18 CHAIRPERSON KALLOS: You all and have a  
19 great day.

20 COMMISSIONER TOOLE: Thank you and I  
21 assure you we'll be in touch.

22 CHAIRPERSON KALLOS: Absolutely.

23 COMMISSIONER TOOLE: Okay.  
24  
25



CHAIRPERSON KALLOS: We'd like to welcome the President of the Office of Administrative Tax Appeals, Glenn Newman.

The Office of Administrative Tax Appeals, OATA, or the Tax Commission, as many refer to it, consists of two divisions: the Tax Commission and the Tax Appeals Tribunal. The Tax Commission is responsible for conducting hearings on appeals of real property tax assessments, determined and released by the Department of Finance each year. Its proposed Fiscal 2015 Budget totals \$4.3 million including \$4 million in Personal Services funding to support 41 full-time positions.

Today, we would like to examine the Office's budgetary needs and discuss ways we can improve or enhance your operations. Thank you for all that you do and for defending our city's property tax rolls and without further ado, we look forward to your testimony.

GLENN NEWMAN: Thank you for inviting me and giving me the opportunity to speak about tax appeals in New York City. The Office of Administrative Tax Appeals was established by Local

2 Law 57 of 2007 and it brought together the City's  
3 two agencies to hear tax appeals, the Tax Appeals  
4 Tribunal and the Tax Commission. I am the first  
5 person to head the two agencies and to be in charge  
6 of the consolidated Office of Administrative Tax  
7 Appeals.

8 The Tax Appeals Tribunal hears appeals  
9 of Finance Department determinations relating to  
10 the City's business taxes: general corporation  
11 tax; bank tax; unincorporated business tax;  
12 commercial rent tax; real property transfer tax and  
13 others. The Tribunal itself consists of three  
14 Commissioners appointed by the Mayor to hear  
15 appeals from the Administrative Law Judge unit,  
16 where the trials of these tax matters take place.  
17 After a determination by one of the three  
18 Administrative Law Judges that we have, either the  
19 taxpayer or the Department of Finance that's  
20 represented by the Corporation Counsel's Office may  
21 appeal to the Tribunal. Only the taxpayer may  
22 appeal the Tribunal's decision and that appeal goes  
23 directly to the Appellate Division of the New York  
24 Supreme Court for review. These cases at the  
25 taxpayers Tribunal can involve many issues,

2 including whether a taxpayer has nexus to the City  
3 sufficient to be subject to tax, what income is  
4 taxable, what deductions are proper and  
5 apportionment of income to the City. There are  
6 about 70 cases pending and these cases can proceed  
7 for months or years, as trials and briefing of  
8 complicated issues are presented.

9 It's been described that the Tax  
10 Appeals Tribunal cases or these types of tax  
11 appeals are an inch thick and a mile deep because  
12 they only affect one taxpayer, but you can have  
13 multiple layers of issues regarding a corporate tax  
14 return and that compares and contrasts to the Tax  
15 Commission, where the issues are an inch wide and  
16 an inch deep 'cause it's one issue of valuation,  
17 but a mile wide because they apply to 53,000 or so  
18 applicants every year.

19 The Tax Commission is the New York City  
20 independent forum for administrative review of real  
21 property tax assessments. Pursuant to the City  
22 Charter and Administrative Code, the Tax  
23 Commission's mission is to ensure determinations of  
24 real property tax assessment protests are fair and  
25 efficient in order to provide an effective

administrative review of property tax assessments within the City.

Annual assessments are the basis for the real property tax levy, the City's largest source of revenue, forecast this coming year to be almost \$20 billion. An assessment encompasses a tax lot's tax class, its market value and its eligibility for a full or partial exemption. The amount of a tax lot assessments or its assessed value where tax lots for which... for properties where the assessment increases are not limited by law, is based on the property's market value, to which the assessment ratio for the tax class is applied. The tax imposed on a tax lot for the fiscal year is the product of its taxable assessed value and the overall tax rate applicable to its designated tax class, as adopted by the City Council.

Each January, the Department of Finance publishes tentative assessments for the more than 1.1 million tax lots in the city. The Finance Department sends a notice of value to the owner or designee of each tax lot in connection with the property taxes to be levied for the City's fiscal

2 year beginning July 1. In addition, the Finance  
3 Department publishes the assessment ratios for the  
4 four property tax classes. Each year, the  
5 Department of Finance calculates individual  
6 assessments and the assessment ratio for each of  
7 the four tax classes, considering fluctuations in  
8 the real estate market, physical alterations and/or  
9 changes in taxable status and issues of final  
10 assessment roll on May 25th.

11 State and local laws provide the right  
12 and the means for taxpayers to obtain  
13 administrative review of individual real property  
14 tax assessments. Tax rates are not subject to a  
15 property specific challenge. The claims in an  
16 application for correction that the Tax Commission  
17 may review are misclassification; that is, the  
18 property is assessed in the wrong tax class for its  
19 type and use under the four class system;  
20 excessiveness, principally that the property fails  
21 to receive all or a portion of a partial tax  
22 exemption, inequality; that is, that is the  
23 property's assessed value is set at a higher  
24 proportion of market value than that applied to  
25 other properties in the same class and

2 unlawfulness, principally where the property fails  
3 to receive a complete tax exemptions.

4 The accepted methodologies for valuing  
5 real estate use sale of comparable properties,  
6 income generated by the property or the cost of  
7 reproducing the property... reproducing the  
8 structure and disputes over individual assessments  
9 are an inevitable feature of ad valorem property  
10 taxation.

11 The Tax Commission is an accessible  
12 forum that expeditiously resolves assessment  
13 disputes, orders remedial action where appropriate  
14 in accordance with applicable law and appraisal  
15 concepts. The existence, mission and authority of  
16 the Tax Commission as an administrative agency of  
17 the City New York are required pursuant to the New  
18 York State Real Property Tax Law and the New York  
19 City Charter and Administrative Code. And the fair  
20 and effective operation of the Tax Commission in  
21 discharging its functions is an integral part of  
22 tax administration.

23 Another feature of the Tax Commission's  
24 operations... a feature of it is our long standing  
25 practice of employing an acceptance agreement,

which requires discontinuance of all judicial proceedings with respect to prior years when accepting an offer of reduction by the Tax Commission, and this benefits the City by eliminating thousands of pending Article 7 proceedings in court.

In sum, though a small agency in the context of staffing and expense budget allotments, the Tax Commission is an integral component of the New York Tax Administration system. Pursuant to the City Charter, the Tax Commission proper consists of a President; that's me and six Commissioners appointed by the Mayor with the advice and consent of the Council. These part-time Commissioners are appointed to six year terms. The President, as the head of the agency, serves full-time, while the six Commissioners are part-time. Each member of the Commission must have at least three years business experience in real estate or real estate law. Additionally, the Commission must include at least one resident from each borough. Currently, we have 24 people who hear cases: myself; we have three part-time Commissioners that are sitting; we have three

vacancies; we have 11 people in the appraisal and hearings group with one vacancy; we have the three Tribunal Commissioners that hear tax commission cases, as well as the three Administrative Law Judges; the General Counsel at the Tribunal and two Special Counsels, attorneys who are familiar and been thoroughly experienced in hearing property tax cases.

The Tax Commission strives to meet the challenge to provide a fair and efficient hearing on protest to property tax assessments and maintain the essential features of the agency's operations. In the 2013-14 tax year, the fifth full budget year integrating the Tax Commission and the Tax Appeals Tribunal within the Office of Administrative Tax Appeals, we had a staff of 39 full-time employees and five part-time Commissioners at the time and an operating budget of \$4.272, \$4,272,000.

The Tax Commission's core function of ruling on annual applications for correction is a great responsibility and part of the tax system. The application forms, along with associated instructions and informational summaries issued by the Tax Commission for use of administrating the



2 formal process are revised annually. The number  
3 and variety of applications filed each year require  
4 a multitude of functions to be performed. These  
5 functions include outreach to the public;  
6 information session on how to apply; intake and  
7 stratified sorting of forms and documents; creating  
8 and maintaining case files and records;  
9 calendaring; allocating internal assignments;  
10 scheduling, preparing for and conducting hearings;  
11 performing legal appraisal and factual research and  
12 analysis; rendering determinations and generating  
13 and mailing disposition notices; processing  
14 remedial relief and communications with the  
15 Department of Finance and the Law Department. We  
16 audit, compile and analyze performance statistics;  
17 computer programming; clerical tasks and responding  
18 to Freedom of Information Law requests.

19 In 2013, the Department of Finance  
20 issued its tentative assessment roll in January and  
21 many properties that had been affected by Hurricane  
22 Sandy did not have their assessments reflect the  
23 storm damage. Finance undertook a review of the  
24 neighborhoods where the storm had major impact and  
25 revised assessments through the issuance of the

2 final roll on May 25th. After consulting with the  
3 Law Department, the Tax Commission accepted  
4 applications from property owners who had received  
5 a revised notice of value if the application was  
6 filed within 20 days after the revision. More than  
7 300 property owners filed applications after these  
8 revisions were made.

9 The Tax Commission staff together with  
10 Finance staff held outreach sessions in the  
11 communities affected by the storm. We had sessions  
12 during the day and the evening in Staten Island,  
13 Howard Beach and the Rockaways, at which several  
14 hundred homeowners were able to get information on  
15 their property tax assessments and help in filing  
16 protests.

17 After the borough hearings... bless  
18 you. after borough hearings were held in June;  
19 they were scheduled before the revised notices were  
20 issued; the Tax Commission provided in person  
21 hearings to those whose properties were affected by  
22 Hurricane Sandy in the fall of 2013. Offers of  
23 reduction were made to reflect the damage to the  
24 properties.

As in 2012 and 2013, the Finance Department sent renewals of property tax exemption forms to not-for-profit organizations, requiring them to provide updated information to establish their exemption from property tax. This resulted in 185 applications protesting the denial or reduction of their exemptions, as compared to 185 last year and compared to 189 the year before. These matters required additional outreach for in person hearings and extensive documentation of the exempt status of the organization in use of the properties. Many of these organizations did not have professional staff and so the Tax Commission spent a considerable amount of time explaining the requirements for exemption and how to present the facts needed to prove their claim. We also reviewed denials of personal exemptions including the STAR exemption, the Veterans exemption, disabled and senior citizen homeowners' exemptions.

So in 2013, the Tax Commission received 52,989 applications covering 192,000 separately assessed tax lots and valued at \$166 billion of assessed value. Just to give you a context, there are 1.1 million properties in the city. There are

2 about 30,000 that are exempt. We take those  
3 separately with the exemptions. There are about  
4 700,000 Class 1 properties; that's one, two and  
5 three-family homes. So of the 370,000 commercial  
6 properties in the City of New York, 190,000 of them  
7 protest their assessments.

8 Last year, the Tax Commission conducted  
9 23,618 substantive hearings. In exercising our  
10 two-year jurisdiction; we have the right to review  
11 the current year's assessment and one year back; we  
12 took remedial action that in aggregate granted \$6.5  
13 billion in assessment reductions, yielding about  
14 \$573 million in tax relief to aggrieved taxpayers.  
15 In conjunction with its disposition of these  
16 applications, the Tax Commission brought to closure  
17 15,297 pending judicial review proceedings; those  
18 are Article 7 proceedings; closing matters that  
19 protested \$70 billion in tax assessments and  
20 assessed value.

21 In the same year, the Law Department  
22 disposed of approximately 684 judicial proceeding,  
23 claiming errors of about \$2.8 billion. Presumably,  
24 these are the more difficult, the more intractable  
25 matters and they closed those by settlement. In

2 recent years, the courts, after trial, have issued  
3 judgments disposing of a few proceedings. In 2013,  
4 there were 54 Article 7 petitions taken to trial  
5 and decided by the courts. Now, the Tax  
6 Commission's administrative view has been and  
7 continues to be the most effective means of  
8 resolving pending judicial proceedings, contesting  
9 hundreds of billions of dollars in assessments. So  
10 at this point, I'd be glad to take questions.  
11 Anything I can tell you about the Tax Commission;  
12 our processes, I'll be glad to answer.

13 CHAIRPERON KALLOS: Mr. President,  
14 thank you very much for your testimony and thank  
15 you for coming before the Governmental Operations  
16 Committee. I understand that this something new  
17 with the new administration, but as Chairman of  
18 Governmental Operations, I have oversight over 11  
19 agencies and Commissions according to the rules and  
20 13 in practice and it is our goal to do our jobs to  
21 the best of our ability. I apologize for running a  
22 little bit late. You mentioned that there are  
23 three vacancies for Commissioners of the Tax  
24 Commission.

25 GLENN NEWMAN: Yes.

2 CHAIRPERSON KALLOS: How... and prior  
3 to you I had the Board of Elections in where I was  
4 asking them to publicly notice their job postings.  
5 What is the Tax Commission doing to publicly notice  
6 these three vacancies as well as other vacancies?

7 GLENN NEWMAN: Yeah, we are in touch  
8 with City Hall about making appointments to  
9 vacancies. I will be glad to reach out to various  
10 organizations; Bar Association, CPA Society,  
11 Appraisal organizations to seek out candidates, but  
12 they do have to be nominated by the Mayor's office  
13 and they usually go through the appointments  
14 process.

15 CHAIRPERSON KALLOS: So with that being  
16 said, if our committee can be and if I can be  
17 copied on those advertisements so that we can see  
18 that they... well, ultimately is up to the Mayor,  
19 of course, I would like to make sure that we have  
20 an open application process and we're doing  
21 everything in our power to publicly notice that  
22 these positions are available so that we can find  
23 people of merit and not just other types of  
24 appointments. So thank you very much for that.  
25 Your agency deals with \$166.75 billion...

[crosstalk]

GLENN NEWMAN: I've assessed that.

CHAIRPERSON KALLOS: And you've managed to keep that down to only \$6.5 billion in assessed reductions, which is incredibly amazing, so thank you for your hard work there. How can we get you more resources? Do you need more resources? What can we do so that we can protect even within that \$6.5 billion?

GLENN NEWMAN: There will always be errors in an assessment roll. There will always be differences of opinion as to what the value of property is. That's inherent in our system. We strive to be as fair and efficient as we can. We do get through all 52,989 applications or however many more we get this year we will finish them by the end of the year and we have some processes in place that make it... enable us to do that. What we are looking for in terms of additional efficiency, and I think it will also promote fairness, is an online system to have online filing of Tax Commission applications, tracking a better handle on the calculations that go into arriving at an assessed value and we've been... we've had some

2 difficulties; some struggling getting with DoITT  
3 and with others to try to get a system in place.  
4 We've had a couple of efforts to bring in  
5 consultants and build a system. We were  
6 disappointed by the proposals that came in, but I  
7 think that would be the way to go to try to make  
8 the system more efficient. Also, give us an  
9 ability to communicate in real time with the  
10 Finance Department and the Law Department for those  
11 things where we have issues or differences of  
12 opinion. So that's what we're looking at.

13 CHAIRPERSON KALLOS: You had me at  
14 transparency. Whatever our committee can do to  
15 ensure compliance from DoITT and that you receive  
16 adequate resources to make your process more  
17 transparent is literally music to my ears.  
18 Currently the Office of Administrative Tax Appeals  
19 does not have a section in the Mayor's Management  
20 Report. Do you think it would be a good idea for  
21 your office to have a section in the MMR and would  
22 the Office of Administrative Tax Appeals provide  
23 performance data for this report including numbers  
24 of appeals, types of appeals and very similar  
25 numbers to what you already provided in your



testimony either voluntarily or part of a suggested MMR?

GLENN NEWMAN: We had been part of the MMR for a while, then got dropped 'cause we're a small agency and by the way, because we're on this annual cycle you know, there's a quarter where we're just taking in applications you know, from January 1 until March 31. We haven't decided anything; we're just taking in applications. Then from March 31 to October 1, we hear some of the appeals, but not all of them, so there have been issues with it. We'll be... I'll be happy to talk to the people in Operations or your committee or anyone else about what statistics or what information would be helpful to the public and how to get it into that report.

CHAIRPERSON KALLOS: Is the cycle that you just described helpful to you? Is it mandated by Charter, law or policy and if you could change it, how would you change it?

GLENN NEWMAN: It is mandated by the Charter and the Administrative Code. It is an annual cycle. We feed off the Finance Department because they issue the assessment; then people have

1 time to protest; then we have our hearings. So it  
2 is very calendar driven and it's what we live with.  
3 That's what we have to do. I don't know that any  
4 changes... Finance just made a major change in  
5 getting their income and expense statements to be  
6 filed by June 1. They had been filed September 1,  
7 so they'll have a better handle on things, but our  
8 schedule is pretty much dictated by the calendar  
9 and the statutes.

11 CHAIRPERSON KALLOS: So is there any  
12 question that I should've asked or that you'd like  
13 to share?

14 GLENN NEWMAN: Yes, you should ask me  
15 if we have any quotas; if we're fair and I can tell  
16 you no hesitation, there are no quotas; we have no  
17 enemies list; I have no friends. All we do  
18 [laughter] is try to reach a fair result and get  
19 the results to the taxpayers; communicate with them  
20 as best we can. We have... it's the only  
21 opportunity for people to actually come in and sit  
22 across from a professional who is reviewing their  
23 assessment, knows about their property; not as much  
24 as the taxpayer knows, but can actually interact

2 because we do a smaller volume than what Finance  
3 does, but we are a personal service.

4 CHAIRPERSON KALLOS: Well, you have a  
5 friend in this committee and its chair. I would  
6 like to be copied on your solicitations to the Bar  
7 Associations and other organizations and if you can  
8 just provide some sort of plan of action to our  
9 committee so we can see that and make sure that we  
10 are supporting you and calling upon you and working  
11 with you to make sure that whether it is ALJs that  
12 you have a vacancy for or others that we are  
13 getting people the jobs that they need because we  
14 have pretty high unemployment in our city. Thank  
15 you so very much for coming in and I look forward  
16 to working with you.

17 GLENN NEWMAN: Thank you very much.

18 CHAIRPERSON KALLOS: We will now hear  
19 from representatives of various Community Boards  
20 who will let us know if their budget and needs are  
21 being met and what ideas they may have to better  
22 perform the critical function that they serve for  
23 this city. We are eager to work with the Community  
24 Boards. I am... we have oversight over Community  
25 Boards. We actually had a hearing on March 3rd.

1 That was the first hearing this month. This is the  
2 second hearing of the month and apparently that's  
3 quite rare, so again, thank you to our Committee  
4 Counsel, David Seitzer and our analyst, Tim  
5 Matchesov and for helping us take on this feat, as  
6 well as my staff; my Policy Director, Paul Westrick  
7 and Chief of Staff, Jessie Towson [phonetic] and  
8 Communications Director, Sarah Anders [phonetic].  
9 We had a best practices hearing. We had the  
10 Comptroller, four Borough Presidents and Community  
11 Board District Managers or Chairs from all five  
12 boroughs. We'll be releasing a report in the next  
13 24 to 48 hours on best practices.

14 That being said, we can talk now about  
15 budget and so I'd like to call Bob Gormley from  
16 Community Board 2 to testify on Community Boards.  
17 Thank you very... thank you very much for coming to  
18 testify and we look forward to working with you to  
19 make sure that Community Boards have adequate  
20 resources. During the best practices, we heard a  
21 lot about the need for urban planners, a lot about  
22 the need for adequate staffing and a lot about the  
23 need for infrastructure support.

24 [Pause]  
25

[background voices]

BOB GORMLEY: I'll say it all again.

My name is Bob Gormely. I'm a DM at Community Board 2 in Manhattan. I've been a DM there for almost eight years and as I said, I have to start my testimony a minute ago. Boy, what a difference a year makes. We... it is the first time in my memory that we haven't come here to testify to save our budgets; to fight against a budget cut and frankly, based on telephone conversations and emails with other District Managers in Manhattan... I didn't prepare any testimony. I didn't intend to testify, but I'm here really to say thank you. Thank you for not putting us under the gun again this year. I know you're well versed...

[crosstalk]

CHAIRPERSON KALLOS: I take full credit. It had nothing to do with the Mayor's Executive Budget. It was all me. [laughter]

BOB GORMLEY: Fair enough.

CHAIRPERSON KALLOS: No, that's a joke. Thank you.

BOB GORMLEY: Well, at the end day, it's always been the Council that came to our aid.

2 I won't belabor it. I mean you know a lot about  
3 Community Boards, but I'll give you... since I'm  
4 the only one... a short summary of Community Board  
5 2 to try to demonstrate how important every penny  
6 that we get from the City is to us. In my office  
7 it's me and three staff people. We have an  
8 incredibly busy Community Board at Community Board  
9 2. In fact, I could argue it may be the busiest  
10 Board in the city. We... and I don't have that  
11 much for 2013, but in 2012, we passed I think it  
12 was 608 resolutions. We had I think it was 112  
13 public hearings. We have nine standing committees  
14 and three task forces or working groups that meet  
15 regularly. All this generates a tremendous amount  
16 of paperwork. Among those standing committees, we  
17 have a Sidewalks and Street Activities Committee,  
18 which, as the name might imply, covers sidewalk  
19 cafes. For example, Community Board 2 has more  
20 sidewalk cafes than the other four boroughs  
21 combined. We have about 20 percent of all the  
22 sidewalk cafes in the city. We have the most  
23 landmark applications. About two-thirds of our  
24 district is landmarked. Liquor licenses I'd say us  
25 and maybe Community Boards 3, maybe 7 and 8 in

Manhattan probably vie for the most liquor licenses. My point is that all this creates an avalanche of work and paperwork that's funneled through our office, which requires staff. In past years, even the smallest proposed cut in my Board would've endangered me; would've endangered one of my staff people. And for what I... as I've said many times before in past years, even having to lay off one staff person, for me, that's one-third of my staff. There's not a city agency that could function if they had to lay off one-third of their staff. So that's pretty much all I have to say going... looking backwards, but going forward, you know, Community Boards are mini City Halls. You know, often they're the place of first resort for citizens, whether it's in the Community Board office or at Community Board Committee hearing. So if going... again, going forward, if there's any way to provide additional support, whether it's in future years even adding a small bit to our budget to hire, as you said a minute ago, hire a planner or... as I was listening to Commissioner Toole speak, she mentioned records retention. Probably any Community Board office you walk into probably

has filing cabinets that are bursting at the seams.  
If we could get support from an agency like DORIS  
to help us you know, maybe scan or save  
electronically a lot of the paper files we have,  
that would be helpful as well. That's pretty much  
my testimony since I didn't prepare anything, but  
I'd be glad to answer any questions you might have  
if I can.

CHAIRPERSON KALLOS: Thank you very  
much. First thing is that if there's any  
additional members of the public who would like to  
provide testimony or members from the Community  
Boards, please make sure to sign a witness slip,  
but thank you for coming. If you and the other  
Community Boards or perhaps if the Borough Board  
would like to put together a proposal for the final  
budget of additional increases you'd like to see, I  
believe there's overwhelming call for urban  
planners and I think that would be incredibly  
helpful in just making sure that they were  
designated for that purpose. Thank you so much for  
coming and thank you for waiting through a very  
long day.



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2 BOB GORMLEY: Thank you, Council  
3 Member.

4 CHAIRPERSON KALLOS: No worries. Do e  
5 have any members of the public who would like to  
6 testify? Hearing none, I hereby adjourn the  
7 Governmental Operations Committee.

8 [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.



Date: 05/02/2014