

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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August 13, 2015
Start: 12:42 p.m.
Recess: 1:01 p.m.

HELD AT: COUNCIL CHAMBERS - CITY HALL

B E F O R E: JUMAANE D. WILLIAMS
Chairperson

COUNCIL MEMBERS:

Rosie Mendez
Ydanis A. Rodriguez
Karen Koslowitz
Robert E. Cornegy, Jr.
Rafael L. Espinal, Jr.
Mark Levine
Antonio Reynoso
Helen K. Rosenthal
Ritchie J. Torres
Eric A. Ulrich

A P P E A R A N C E S (CONTINUED)

PV Arantharam, Deputy Director
Acquisition Services
Office of Management and Budget (OMB)

Aaron Anderson, Analyst
Office of Management and Budget (OMB)

2 [sound check, pause]

3 [gavel]

4 CHAIRPERSON WILLIAMS: Thank you,
5 everyone. Before I read my opening statement about
6 the bill, we've been joined by PV Anantharam from the
7 Office of Management and Budget, Aaron Anderson from
8 OMB as well and Moira Kelly, (sic) Department of
9 Health. Thank you very much for coming. We don't
10 have the oath, right?

11 LEGAL COUNSEL: Yes.

12 CHAIRPERSON WILLIAMS: Do you affirm to--
13 Please raise your right hand all of you. Do you
14 affirm to answer all the questions honestly that we
15 ask you today?

16 PANEL MEMBERS: Yes.

17 CHAIRPERSON WILLIAMS: Is that good
18 enough?

19 LEGAL COUNSEL: That's good enough.

20 CHAIRPERSON WILLIAMS: Okay, thank you.
21 Okay, thank you for coming in. So, a couple of days
22 ago, we had a hearing on this bill, and we asked
23 several questions about what the fiscal impact would
24 be. I think the City Council kind of takes our
25 responsibility very seriously when it comes to fiscal

2 impact, and we were told by both Commissioners that
3 they would doing this with existing resources. So
4 that, in fact, it would be zero. We're getting a
5 fiscal impact study now saying that it will zero in
6 FY16 and \$4.3 million in FY17. It's very strange to
7 me, and we really want to understand what has
8 changed. Obviously this is not--this not about
9 whether it is worth paying the money. We're going to
10 have to do that, but I think our duty is to ask the
11 questions what has changed from two days ago when two
12 Commissioners answered that we were doing this with
13 existing resources until now?

14 DEPUTY DIRECTOR ARANTHARAM: So it's
15 important that we--

16 CHAIRPERSON WILLIAMS: [interposing]
17 Please state your name.

18 DEPUTY DIRECTOR ARANTHARAM: I am--my
19 name is PV Arantharam. I am the Deputy Director
20 Acquisition Services at the Office of Management and
21 Budget. To your question, I am not entirely certain
22 of the circumstances under which the Commissioner of
23 Health testified to that effect. But we do know that
24 the bill has certain requirements, and from an
25 incremental perspective it will entail costs because

2 we expect the Department of Health to go out and do
3 work. We don't know what they are. It could very
4 well be that their current resources might be
5 sufficient for it. But it is incumbent upon us to
6 take a more prolonged review of what the legislation
7 will entail and the work that will ensue from the
8 fact that building owners are required to maintain
9 certain certifications to the status of these cooling
10 towers. And I believe that over the next two months
11 when we review this part of the November
12 modification, we can confirm whether they can live
13 within the resources or not.

14 CHAIRPERSON WILLIAMS: Were the
15 Commissioners in contact with OMB before the hearing
16 to be able to answer the questions that we're asking
17 about the fiscal impact? The legislation and the
18 work that has been done on this effort over the last
19 two weeks has been rapid fire, and had been going at
20 a very fast pace, and the department is aware that
21 the resources are the last things that were critical
22 in their effort to ensure that all of the cooling
23 towers within the neighborhood were properly
24 addressed. So communications while they are ongoing
25 all the time, have been sporadic.

2 CHAIRPERSON WILLIAMS: Were the
3 Commissioners in contact with OMB about the fiscal
4 impact before they came and testified two days ago?

5 DEPUTY DIRECTOR ARANTHARAM: I, as I
6 mentioned earlier, I don't--I wasn't here when the
7 Commissioner testified to that effect. So I would
8 have to reach out to the Commissioner and find out.

9 CHAIRPERSON WILLIAMS: Do you know if the
10 Commissioners were in contact with OMB before they
11 testified about the fiscal impact?

12 DEPUTY DIRECTOR ARANTHARAM: I--she did
13 not contact me. Okay. I am not aware of that.

14 CHAIRPERSON WILLIAMS: This is very
15 disheartening to hear some answers from the agencies,
16 and then just two days later before we're about to
17 vote get something that's completely different than
18 what we were told.

19 DEPUTY DIRECTOR ARANTHARAM: So again, I
20 think the issue is the frame of mind that the
21 Commissioner was in, in terms of looking at what her
22 needs were. We have not, as I said completed a
23 dialogue with the agency to estimate what the total
24 costs are going to be. This was computed based on
25 what we believed the kind of work it might entail.

2 It could very well--it might be managed within the
3 department's resources, but we will have to confirm
4 that.

5 CHAIRPERSON WILLIAMS: So basically,
6 you're saying it could be between zero and \$4.3 million?

7 DEPUTY DIRECTOR ARANTHARAM: Um, it could
8 be anywhere from zero up. Yes.

9 CHAIRPERSON WILLIAMS: Is it--just so I
10 know--is it normal practice for there to be no
11 communication between OMB and the agencies before
12 they come and testify about fiscal impact?

13 DEPUTY DIRECTOR ARANTHARAM: I think this
14 particular legislation was unique in the agency, and
15 how it was dealt with. Under normal circumstances
16 any bill that comes before the Council that the
17 Commissioner testified we would have long dialogue
18 about the elements of the bill that have cost
19 implications.

20 [pause]

21 CHAIRPERSON WILLIAMS: Thank you. I
22 don't know--I don't believe my colleagues have any
23 questions, but I'll check to see if any of them do.
24 Okay.

25 [pause]

2 COUNCIL MEMBER TORRES: I'm just--I just
3 want to underscore that I'm thoroughly annoyed. I
4 feel like whatever agency testifies you should have
5 accurate information about the fiscal impact, and I
6 want to be careful not to accuse the Department of
7 Health of lying, but I think it's deeply
8 disrespectful to this institution to lead us to
9 believe that it has zero fiscal impact. I just don't
10 know. I mean how can we avoid this in the future?

11 DEPUTY DIRECTOR ARANTHARAM: And--and--
12 I'm sorry. I don't--I'm not necessarily saying that
13 Mary was wrong in making that commitment because she
14 could very well have more information than I do to
15 that effect. And so, as I said, we will have further
16 discussions with the department to clarify those
17 statements, and review their budgets to see what
18 their spending pattern has been, and it could very
19 well end up that she was essentially right.

20 COUNCIL MEMBER TORRES: So it could be
21 the case that it actually has no impact? Is that--?

22 DEPUTY DIRECTOR ARANTHARAM: As I said, I
23 have to sit down with her to understand what kind of
24 questions she was responding to, and I think it's--

2 until I know for certain how she was responding to
3 the question at hand, I can't be sure.

4 COUNCIL MEMBER TORRES: You said you
5 would have to sit down with her. I imagine when you
6 were determining this fiscal impact, you consult with
7 the agencies?

8 DEPUTY DIRECTOR ARANTHARAM: Yes. Like I
9 said, under normal circumstances when a bill is
10 before the Council we would spend enough time
11 assessing the elements of the bill and the costs
12 thereof. This particular legislation has been moving
13 at a pretty fast pace.

14 COUNCIL MEMBER TORRES: Okay.

15 DEPUTY DIRECTOR ARANTHARAM: At the same
16 time that the department has been working on the
17 ground trying to mitigate the issues at hand so--

18 COUNCIL MEMBER TORRES: So because you
19 were moving at a fast pace, there was less
20 consultation with DOH than would normally be the
21 case?

22 DEPUTY DIRECTOR ARANTHARAM: We--we have
23 not had extensive--as extensive conversations with
24 them as I would like.

25 COUNCIL MEMBER TORRES: Okay. Thank you.

2 CHAIRPERSON WILLIAMS: Thank you, Council
3 Member Torres. I just would say I understand the
4 urgency of the situation, and we all have to work
5 together to speed through, and make sure that the
6 public source is responding, which I think we're
7 doing. I don't think that shirks our responsibility
8 to make sure that we're testifying here with the
9 assumption that OMB and the agencies are speaking at
10 least in sort of one voice. And if they don't have
11 the answer or do not know the answer, and need to
12 come back to us, that's probably the response that
13 should occur. Because I think when the public sees
14 that we are voting out a piece of legislation that we
15 understand what the fiscal impact is and know what it
16 is because it is taxpayer dollars. Even though it's
17 going to be high or higher, we're going to have to
18 spend it obviously because this is a health crisis.
19 So this is not about whether or not we should spend
20 it. It's about whether or not we understand what the
21 impact is, and have we viewed it thoroughly and
22 thoroughly understand. And I think we almost didn't
23 have the ability to do that, and so that shows me a
24 lot. I just want to correct one thing that I said. I
25 think the fiscal impact study that we have now says

2 that it's zero impact for FY16 and FY17 with the note
3 that it's still being under review, and it still may
4 be raised based on the things that are from now until
5 then. So I just want to make sure that I put that
6 into the record. But again, we've got to prevent
7 this from happening because there's going to be times
8 where we have to speed things up, and we can't hear
9 zero and then right before, we're going to vote the
10 legislation, it's \$4 point something million dollars
11 without an explanation. That just--that just can't
12 happen. So we need to find a better way and the
13 agencies to find a better way to communicate so that
14 they're not saying two different completely opposite
15 things. So thank you to the--I think nobody else has
16 any comments. Thank you very much for your testimony.

17 DEPUTY DIRECTOR ARANTHARAM: Thank you.

18 CHAIRPERSON WILLIAMS: With that, I'm
19 going to start my testimony. Thank you colleagues
20 for your patience today. I know we were supposed to
21 have the hearing begin a little earlier, but I thank
22 everyone for their patience in making sure that the
23 institution does its job.

24 Good morning everyone and thank you for
25 coming. I'm Council Member Jumaane Williams, Chair

2 of the Committee on Housing and Buildings. I'm

3 joined today by Council Member Mendez, Koslowitz,

4 Levine, Reynoso, Torres, Cornegy and Espinal.

5 [background comment] Today, we'll be holding a

6 hearing for the purpose of voting on the previous

7 Intro considered by the Speaker, Council Member

8 Gibson, Council Member Johnson and myself. As you

9 all are aware, there is currently an outbreak of

10 Legionnaires' Disease in the South Bronx, which has

11 led to the loss of 12 lives. The evidence strongly

12 suggests that this outbreak was caused by the

13 presence of Legionella bacteria in the cooling

14 towers. Cooling towers are part of the air

15 conditioning system in many modern buildings. The

16 vapor caused by cooling towers allows Legionella, if

17 present in the water to be inhaled, grow in the lungs

18 and cause pneumonia. In response to this outbreak at

19 today's hearing the committee will consider

20 legislation to regulate cooling towers. This

21 legislation will require cooling towers to be

22 registered, inspected and tested. It would also set

23 standards for the cleaning and disinfection of

24 cooling towers if any such tests come back positive.

25

2 I'd like to thank the Speaker and Council
3 Members Gibson and Johnson for introducing the
4 legislation. I would like to give them opportunity
5 if they want to discuss the bill. Oh, Council Member
6 Johnson is not here? Okay. So, I think this is
7 great, and in the past few days I think there have
8 been great efforts on several levels of government to
9 make sure that the city saw everyone working together
10 for the betterment of the health of the city and not
11 jockeying for credit. And I think that's the way we
12 should move forward. I'm glad we're doing that with
13 this bill, and I'm glad that the bill has improved
14 actually from the hearing that we had two days ago
15 based on testimony that ASHRAE, REBNY and BOMA. I
16 think the bill that we have takes all of that into
17 consideration. I want to say to all of them thank
18 you, and I would like to encourage all of my
19 colleagues to vote in favor of this legislation.
20 With that said, I would like to ask the Clerk to
21 please call the roll.

22 CLERK: William Martin, Committee Clerk.
23 Roll call vote in Committee on Housing and Buildings
24 Preconsidered Introduction. Chair Williams.

25 CHAIRPERSON WILLIAMS: I vote aye.

2 CLERK: Mendez. Koslowitz.

3 COUNCIL MEMBER KOSLOWITZ: [off mic] Aye.

4 CLERK: Cornegy.

5 COUNCIL MEMBER CORNEGY: I vote aye.

6 CLERK: Espinal.

7 COUNCIL MEMBER ESPINAL: I vote aye.

8 CLERK: Levine.

9 COUNCIL MEMBER LEVINE: I vote aye.

10 CLERK: Reynoso.

11 COUNCIL MEMBER REYNOSO: May I have

12 permission to explain my vote? I just--I just want

13 to say that there has be--you know, even though the

14 money situation was a concern, and I think that we

15 should make sure that we have on the record exactly

16 what we're expected to spend. Given the urgency of

17 this one issue, there needs to be a little bit of

18 flexibility within the Council when we lead with

19 these emergency cases that we have a level of

20 confidence in the Administration that eventually

21 they'll get things squared away, and we will be--we

22 would be able to present it to the public more

23 appropriately. But just more flexibility here

24 especially in these extreme cases where we need to do

25 something quickly And, of course, I vote aye.

2 CLERK: Rosenthal.

3 COUNCIL MEMBER ROSENTHAL: Permission to
4 explain my vote. Does that mean you're supposed to
5 say okay then? (sic)

6 CHAIRPERSON WILLIAMS: Granted.

7 COUNCIL MEMBER ROSENTHAL: May I just say
8 that with huge thanks to Chair Williams for being
9 very aware of all the ins and outs of what happens in
10 passing a bill into law. With that appreciation, I
11 vote aye.

12 CLERK: Torres.

13 COUNCIL MEMBER TORRES: [off mic] I vote
14 aye.

15 CLERK: By a vote of 9 in the
16 affirmative, 0 in the negative and no abstentions,
17 the item has been adopted.

18 CHAIRPERSON WILLIAMS: Thank you very
19 much. We're going to keep the roll open for ten
20 minutes.

21 [pause]

22 CLERK: Council Member Ulrich.

23 COUNCIL MEMBER ULRICH: Aye.

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2 CLERK: The final vote in the Committee
3 on Housing and Buildings now stands at 10 in the
4 affirmative, 0 in the negative and no abstentions.

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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. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date August 15, 2015