

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON TRANSPORTATION AND  
INFRASTRUCTURE

Jointly with

COMMITTEE ON CONTRACTS

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February 14, 2024  
Start: 10:20 a.m.  
Recess: 2:03 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: Selvena N. Brooks-Powers  
Chairperson

Julie Won  
Chairperson

COUNCIL MEMBERS:

Joann Ariola  
Carmen N. De La Rosa  
Amanda Farías  
Farah N. Louis  
Mercedes Narcisse  
Carlina Rivera  
Erik D. Bottcher  
Sandy Nurse  
Althea V. Stevens  
Inna Vernikov

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

Magalie Austin  
DDC Executive Deputy Commissioner

Tom Wynne  
DDC Deputy Commissioner

Jeffrey Margolies  
DDC Associate Commissioner

Michael Garner  
Chief Business Diversity Officer at Mayor's  
Office of MWBEs

Paul Ochoa  
DOT Executive Deputy Commissioner

Carlos Bannister  
DOT Chief Contracting Officer

Charles Diamond  
Mayor's Office of Contract Services Special  
Counsel

Brad Lander  
Comptroller

Charlette Hamagian  
Deputy Comptroller

Matthew Robinson

Christopher Leon Johnson

Jessica Walker



2 SERGEANT AT ARMS: Good morning and  
3 welcome to the New York City Council hearing of the  
4 Committee on Transportation and Infrastructure  
5 jointly with Contracts. At this time, can everybody  
6 please silence your cellphones? If you wish to  
7 testify, please come up to the Sergeant at Arms desk  
8 to fill out a testimony slip. Written testimony can  
9 be emailed to [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). Again, that  
10 is [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). At this time and going  
11 forward, no one is to approach the dais. I repeat,  
12 no one is to approach the dais. Chair, we are ready  
13 to begin.

14 [gavel]

15 CHAIRPERSON BROOKS-POWERS: Good morning,  
16 and thank you for joining today's hearing of the  
17 Committee of Transportation and Infrastructure and  
18 the Committee on Contracts. Today's hearing is about  
19 examining the City's infrastructure projects through  
20 the lens of equity. We hope to better understand how  
21 the City is ensuring MWBE's have equitable access to  
22 contracting opportunities and how we are achieving  
23 diversity within diversity among contracts. As was  
24 the case last session, equity will be at the heart of  
25 this committee's work. Today's topic is a fitting

2 way to begin this new legislative term. I also want  
3 to note, with the new session, the Committee on  
4 Transportation and Infrastructure now has oversight  
5 over the New York City's Department of Design and  
6 Construction. DDC is the City's primary capital  
7 construction manager and builds many of the civic  
8 cornerstones of our city like our firehouses,  
9 libraries, and police precincts. DDC also designs  
10 and improves vital infrastructure throughout the  
11 City, delivering roadway, sewer, and water main  
12 construction projects in all boroughs. In doing this  
13 work, DDC collaborates with more than 20 city  
14 agencies to fulfill capital projects. Ultimately,  
15 DDC's mission is to deliver the City's capital  
16 construction projects in a safe, cost-effective  
17 manner while maintaining the highest degree of  
18 architectural engineering and construction quality.  
19 I am excited to hold discussions with the Department  
20 today and in the future. Throughout this hearing, we  
21 will focus on minority and women-owned business  
22 enterprises, otherwise known as MWBE's, and how the  
23 City has engaged MWBE's as part of its contracting  
24 process. New York City has among the nation's  
25 highest ratio of MWBE's to minority population, but

3 our MWBE's have historically struggled with  
4 participation in city contracting. Although this  
5 Mayor and his predecessors have sought to expand  
6 MWBE's participation, we continue to see a trend of  
7 substantial underutilization of MWBE's in city  
8 contracting. The City Council has worked hard to  
9 remedy the underutilization of MWBE's in city  
10 contracting. Over the years, the Council has passed  
11 a number of local laws including Local Law 129 of  
12 2005 which re-established the City's MWBE program  
13 after a previous administration ended it, and Local  
14 Law 1 of 2013, Local Law 174 and Local Law 176 both  
15 of 2019 which made a number of crucial improvements  
16 to the City's MWBE program. In addition to these  
17 Local Laws the Council has provided extensive  
18 oversight over how the city contracts MWBEs to city  
19 contracts for years. Both the current Administration  
20 and the one immediately prior have said that  
21 expanding MWBE's participation in city contracts is a  
22 priority. In 2016, former Mayor Bill de Blasio  
23 created the Mayor's Office of MWBE's to coordinate  
24 work between city offices and resolve inequalities in  
25 the city's contract process. More recently, in  
February 2023, Mayor Adams signed an Executive Order

2 to address the disparity within disparity in city  
3 procurement dollars, and appointed Michael Gardner as  
4 Chief Business Diversity Officer of the Mayor's  
5 Office of MWBE's. I am excited that he has joined  
6 the Administration in the wake of his successful  
7 tenure at the MTA, and I'm interested to hear about  
8 what the Administration is doing to meet the goals  
9 set by the Council. While the City and the Council  
10 has worked to address inequities in the MWBE program,  
11 we all know there is more work to be done. For  
12 Fiscal Year 23, the City had approximately 11,000  
13 certified MWBE's; yet, only 2,200 were awarded a city  
14 contract, amounting to about 80 percent of all  
15 certified MWBE's with no access to city dollars. I  
16 hope to learn what the recent data suggests about how  
17 we can bridge the gap between those who are awarded  
18 funding and those who are not. In this regard, I  
19 would like to acknowledge Mayor Adams' announcement  
20 that he plans to direction \$60 billion of contractual  
21 work to MWBE's by 2030, and that he seeks to  
22 significantly increase this amount in the coming  
23 years. I also want to hear the Administration's  
24 position on the comptroller's annual evaluations of  
25 the City's efforts to reach the goals set by the

2 Council for MWBE utilization at each mayoral agency.

3 The City has consistently performed poorly with

4 regard to contracting with Black, and particularly

5 Black women-owned businesses and has only barely

6 performed better with Hispanic-owned businesses. I

7 also want to explore whether we can pursue greater

8 diversity within diversity and better recognize the

9 multitude of vibrant communities that exist in our

10 city. The Comptroller regularly releases an annual

11 evaluation on MWBE procurement and has previously

12 found that MWBEs are awarded to a disproportionately

13 smaller share of the value of city contracts. Non-

14 certified firms are awarded contracts with values

15 multiple times greater than MWBE's on average, and

16 even within contracts registered to MWBE's, there are

17 significant disparities among the designated minority

18 groups in terms of contract value. Today, we will

19 hear from representatives from DDC and Michael

20 Gardner with the Mayor's Office of MWBE's. In my

21 questioning, I want to hone in on why there seems to

22 be an underutilization of MWBE's awarded contracts

23 from the City. how we can bridge the gap to ensure

24 MWBEs receive a higher number of contracts, what

25 steps are being taken to improve the City's

2 engagement of MWBE's and its contracting process, and  
3 how to boost MWBE utilization at city agencies that  
4 are lagging behind. In addition to the oversight  
5 portion of today's hearing, we are hearing one bill.  
6 Intro Number 23 sponsored by myself is a Local Law in  
7 relation to establishing auditing requirements for  
8 MWBE's procurement. The bill would require that the  
9 Comptroller would conduct annual audit focused solely  
10 on MWBE procurement and share final audits and audit  
11 reports to the Council, the Mayor, and the Audit  
12 Committee. This bill would also allow the  
13 Comptroller to appoint someone in the Comptroller's  
14 Office to oversee and execute such audits. Before we  
15 turn to testimony, I want to say this. I have worked  
16 in this space for several years, including at the  
17 Port Authority prior to joining the Council. I know  
18 how crucially important equity in contracting is to  
19 communities citywide. Businesses across the City  
20 owned by women, by Black and Brown people, business  
21 in my district in southeast Queens work incredibly  
22 hard to build capital and credibility. They deserve  
23 a chance to obtain major contracts, and too often  
24 they are denied that chance. Ensuring equitable  
25 access for diverse businesses strengthens communities

2 and extends economic opportunity, but it also-- but  
3 it is also a fundamental issue of fairness, and the  
4 City has a responsibility to get it right. We now  
5 turn to testimony. I look forward to hearing from  
6 the City's Administration, advocates, and members of  
7 the public regarding the oversight topic and  
8 legislation at this hearing. I want to thank my  
9 staff and committee staff as well for their hard  
10 work, Mark Chen, Senior Counsel to the Committee,  
11 Connor Mealey, Counsel to the Committee, Kevin  
12 Kotowski, Senior Policy Analyst, John Basile, Senior  
13 Policy Analyst, Michael Sherman, Senior Policy  
14 Analyst, Jack Seigenthaler, and my Policy and Budget  
15 director, Renee Taylor, my Chief of Staff, and  
16 Kierra Powell, my Communications Director. I also  
17 want to thank my Co-Chair Councilwoman Julie Won and  
18 the committee staff on the Contracts Committee. I  
19 will now turn it over to Chair Won for her opening  
20 remarks.

21  
22 CHAIRPERSON WON: Thank you so much,  
23 Chair Brooks-Powers. Good morning. My name is Julie  
24 Won and I have the privilege of chairing the City  
25 Council's Committee on Contracts. The purpose of

2 this hearing is to discuss minority and women-owned  
3 business enterprises, also known as MWBE's, as we all  
4 are familiar. Participation in city contracting  
5 specifically related to infrastructure project  
6 overseen by the Department of Design and  
7 Construction. MWBE's makeup significant portion of  
8 small businesses in our city. However, historical  
9 discrimination and other barriers have made it  
10 difficult for these firms to access city contract  
11 opportunities. The City seeks to remedy the severity  
12 through its MWBE program and its annual 30 percent  
13 MWBE contract utilization goal across our city. And  
14 as we just heard from Chair Brooks-Powers, we  
15 acknowledge that the Mayor has said that he wants to  
16 reach 60 percent, so that is double the amount of the  
17 goal that we currently have today. Yet, year after  
18 year, the City falls short of this target. The  
19 Comptroller's latest annual report on MWBE  
20 procurement found several issues. Small shares of  
21 contracts awarded to MWBE's overall, disparity  
22 amongst minority groups in contract values,  
23 administrative hurdles in contracting processes, and  
24 late payments to MWBE's even after contracts aware  
25 awarded. Further underscoring the outdated nature of

2 the City's MWBE's policies, the latest comprehensive  
3 disparity study examining MWBE utilization dates back  
4 to 2018 using data from 2015. I want to put on the  
5 record that it is now the year of 2024. Local Law  
6 mandates the City conducts a disparity study at least  
7 once every two years; yet, this requirement has been  
8 ignored over the last several years both by the Adams  
9 Administration and de Blasio Administration which is  
10 not even a city law, but it's federal and state  
11 regulations. As a result, 30 percent of utilization  
12 goals and other MWBE policies remain rooted in pre-  
13 pandemic economic reality that does not reflect our  
14 current contracting landscape. An overdue refresh of  
15 the disparity study would provide crucial updated  
16 analysis to right-size goals and better target  
17 specific racial, ethnic, and gender categories still  
18 facing these proportionate hurdles for contracting.  
19 As we push agencies like DDC to meet even basic  
20 utilization thresholds, an updated disparity study is  
21 necessary for accurate MWBE information regarding  
22 today's contracting reality. A report will be  
23 released today 11:00 a.m. from the City Comptroller's  
24 Office and it will reveal that DDC continues to fall  
25 short on contracting with MWBE's. DDC is responsible

2 for over half of the city's MWBE-eligible contracting  
3 requirements and roughly 31.3 percent of DDC's  
4 contracts went to MWBE's in Fiscal Year 2023.

5 However, those contracts only accounted for 2.8  
6 percent of DDC's total for Fiscal Year 23 contract

7 values subject to the 30 percent of the MWBE

8 utilization goal. So, for me to hear that 2030,

9 we're trying to get to 60 percent, we have a long

10 ways to go. This proportionate gap between number of

11 contract awards and dollar value does little to close

12 the disparity for MWBE firms in the City. At today's

13 hearing we seek to understand why DDC, in particular,

14 struggles to meet these aggregate MWBE contracting

15 goals. For example, on the largest city construction

16 project last Fiscal Year, the \$3 billion contract,

17 with a B, for the Brooklyn Detention Center. DDC

18 established a 30 percent utilization goal for MWBE

19 subcontractors, but less than a year into the

20 contract, only one percent-- one percent was

21 approved-- subcontractor spending has gone to MWBE's.

22 So, 30 percent goal, one percent actually given.

23 This underscores the serious disparities that

24 continue to exist in DDC's contracting where MWBE's

25 are winning a reasonable share of contracts by

2 volume, yet those contacts represent only a tiny  
3 fraction of the agencies overall construction  
4 spending. DDC's 2.8 percent prime contract  
5 utilization rate in the Fiscal Year 23 shows  
6 backsliding from prior years and leaves significant  
7 room for improvement. As we examine broader trends  
8 in the City infrastructure contracting through an  
9 equity lens, we must address the persistent  
10 underutilization of MWBE's by DDC. The Comptroller's  
11 analysis makes it clear that while DDC has made some  
12 progress, there remains much more work to be done  
13 before the City meets its stated 30 percent or Mayor  
14 Adams' 60 percent goal. We look forward to hearing  
15 DDC's testimony on improving participation rates and  
16 subcontract oversight going forward. In addition to  
17 assessing the current state of DDC's contracting,  
18 today's hearing will also consider legislation aimed  
19 at improving accountability, oversight and outcomes  
20 for MWBE's sponsored by Majority Whip Brooks-Powers,  
21 Intro 23. This bill would mandate the City  
22 Comptroller conduct annual audits. Requiring regular  
23 focused audits will help continue shining a spotlight  
24 on disparities in this area while driving  
25 recommendations for meaningful change. As our recent

2 Comptroller analysis will show, DDC in particular  
3 would benefit from enhanced scrutiny through  
4 comprehensive yearly audits targeting equitable  
5 infrastructure contracting for MWBE firms. We look  
6 forward to a thoughtful discussion around the  
7 potential impact of Intro 23 as part of our broader  
8 efforts that meet the 30 percent MWBE utilization  
9 goal. And in summary, we want to determine what  
10 barriers exist that result in low MWBE utilization  
11 rates across our city and at DDC, and our goal is to  
12 develop a solution that connects more certified MWBE  
13 firms with contracting opportunities especially on  
14 vital infrastructure projects, and as you have heard  
15 from Chair Brooks-Powers, that we're focused on  
16 diversity within diversity. We are going to continue  
17 to disaggregate your MWBE data to recognize that out  
18 of five percent that were awarded to MWBE's, that  
19 four percent were awarded to white women, and we want  
20 to see within the minority data how much of it has  
21 gone to women of color, which is one percent, which  
22 is one percent that aggregates for Asian women, Black  
23 women and Brown women. Before we begin, I'd like to  
24 thank committee staff Senior Legislative Counsel,  
25 Alex Polenoff [sp?], Policy Analyst, Alex Yablon

2 [sp?], Principle Finance Analyst, Nia Hyatt [sp?], my  
3 Chief of Staff, Nick Wilota [sp?], my Legislative  
4 Director, Isaac Blasenstein [sp?], my Legislative  
5 Fellow, Greg, and for all their hard work for  
6 preparing this hearing. I'll now turn over the floor  
7 to Counsel to swear in the Administration.

8 COMMITTEE COUNSEL: Thank you. I'm Mark  
9 Chen [sp?], Counsel to the Transportation and  
10 Infrastructure Committee of the New York City  
11 Council. Our first witnesses will be from the  
12 Department of Design and Construction, Executive  
13 Deputy Commissioner, Magalie Austin, Deputy  
14 Commissioner Tom Wynne, Associate Commissioner, Jeff  
15 Margolies, from the Mayor's Office of MWBE, Chief  
16 Business Diversity Officer, Michael Garner, from DOT  
17 Executive Deputy Commissioner, Paul Ochoa, and Deputy  
18 Chief Contracting Officer Carlos Bannister, and from  
19 the Mayor's Office of Contract Services Special  
20 Counsel, Charles Diamond. I will now administer the  
21 oath. Please raise your right hands. Do you affirm  
22 to tell the truth, the whole truth and nothing but  
23 the truth before this committee and to respond  
24 honestly to Council Member questions?

25 UNIDENTIFIED: Yes.

2 UNIDENTIFIED: I do.

3 COMMITTEE COUNSEL: Thank you. You may  
4 begin when ready.

5 MICHAEL GARNER: Good morning. And Madam  
6 Chair Brooks-Powers and Won, just want to thank you  
7 for allowing us to be here this morning. I'm here  
8 with my colleagues from both DDC and DOT. After  
9 spending 14 years at the SCA and 14 years at the MCA,  
10 two of the most complicated organizations,  
11 construction organizations, in this country, we set  
12 records with dollars paid to both SCA-certified MWBE  
13 firms and in state-certified MWBE firms. And so when  
14 the Mayor brought me on, we agreed that we were going  
15 to focus on solutions and not be blinded by problems.  
16 And so I can tell you that the Adams Administration  
17 and the City of New York, the Adams Administration  
18 and the City Council, members of this esteemed body,  
19 we share the same focus and the same goal. That goal  
20 is under Mayor Adams, he has made it known that by  
21 the year 2026, not less than \$25 billion dollars  
22 would be awarded to minority owned businesses, and by  
23 the year 2030, not less than \$60 billion will be  
24 awarded to city-certified MWBE firms. Let me just  
25 say also that we operate our program within the

2 current federal law. And we have a goal program, and  
3 our goal is to achieve those goals. Let me also say  
4 that we have focused on MWBE achievement. We, for  
5 the first time in history, Mayor Adams was  
6 responsible for getting all of his MWBE goals passed  
7 up in Albany, and they were signed into state law by  
8 Governor Kathy Hochul. We're going to use aggressive  
9 MWBE programming that exists at the SCA and at the  
10 MCA in order to drive MWBE operating efficiencies. I  
11 would say also that last year we were able to award  
12 \$6 billion dollars to MWBE first, which included  
13 those Local Law and One NYC firms that's certified by  
14 the City of New York. It was more than 1,900  
15 individual transaction for six billion. We are well  
16 on our way to achieving the Mayor's goal of \$25  
17 billion by the year 2026. Two straight years of  
18 record MWBE contracts with Local Law One city  
19 agencies. FY23 saw a record of \$1.4 billion dollars  
20 in contracts. Second straight year of FY23 over \$6  
21 billion dollars as a indicated with One NYC. Record  
22 time 28 percent MWBE inclusion rate. Also, a record  
23 year for agency using the availability of  
24 discretionary authority. Using this discretionary  
25 authority, it was \$170 million which awarded. That

2 was an increase of 60 percent from FY2022 to 2023,  
3 from \$112 million to \$170 million. And the largest  
4 award in the history of the City of New York's  
5 program went to a black-owned and city-certified MWBE  
6 firms, \$372 million dollar contact to Worldwide  
7 Technology. However, we recognize that there are  
8 still major challenges to be addressed, and so as a  
9 result of driving MWBE's spend, Mayor Adams had  
10 mandated that we have weekly MWBE CompStat type  
11 meeting with all of the agencies. Those meetings  
12 take place every Monday at three-- at three o'clock.  
13 We also have weekly asylum-seeker contract meetings  
14 where. Whereas, we are-- will be announcing in a  
15 very, very short period of time that the City of New  
16 York has awarded more than \$1 billion dollars to  
17 MWBE's in securing those services for our asylum-  
18 seekers and migrants. That is the result of our  
19 weekly meetings that we have every week right here at  
20 City Hall. Let me also say that we have expanded the  
21 use of citywide MWBE per-qualified list. Last year,  
22 as we indicated, that we focused our priorities at  
23 the state of New York. Once again, Mayor Adams was  
24 responsible for gaining approval for all of his MWBE  
25 bills or goals that were passed and signed into state

2 law. One of those laws that we are currently focusing  
3 on, on creating a citywide centralized construction  
4 mentoring program. Those programs currently exist  
5 both at the SCA and at the MTA and we will have the  
6 ability to award prime construction contracts to our  
7 MWBE contractors, prime contracts. We will also pay  
8 those contractors in 10 days upon the accurate  
9 submission of their invoices. Since 1993, the SCA  
10 has awarded more than \$4 billion dollars in contracts  
11 in their program. In addition the MTA, where almost  
12 one billion dollars of contracts has been awarded  
13 since their program was created in the year 2012.  
14 Once the City of New York's construction mentor  
15 program has been implemented, it would become the  
16 largest construction mentoring program of its kind in  
17 the nation. Let me also say that we increase the  
18 discretionary threshold from one million to \$1.5  
19 million. What that does is that it allows the  
20 agencies to go into the market place, secure prices  
21 from two or three or four New York City certified  
22 MWBE firms and make the award right there on the spot  
23 as long as their pricing is aligned with historical  
24 pricing, and make the award right there on the spot  
25 without going out for broader bidding. One of the

2 most resistant barriers to entry that we experience  
3 here in the city of New York and across the nation is  
4 the inability of our smaller contractors to ascertain  
5 cost-effective construction insurance. And so one of  
6 the bills that the Mayor was successful in getting,  
7 is we are going to create a owner's controlled  
8 insurance program which will allow us to extend cost-  
9 effective construction insurance to our small MWBE  
10 contractors. Those were some of the legislative  
11 victories that we have achieved in Albany last  
12 session. We also would like to thank the Mayor's  
13 capital process reform taskforce who brought a lot of  
14 best practices to us including these MWBE bills as  
15 well. So, as I started, I'm going to finish by  
16 saying that Mayor Adams and speaker Adams both have  
17 the same goals in mind, and that's maximizing MWBE  
18 out comes to New York City certified MWBE firms,  
19 being aligned with awarding not less than \$25 billion  
20 by 2026, \$60 billion by 2030, focusing on solutions  
21 and not being blinded by problems. Thank you.

22 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

23 Good morning, Chair Brooks-Powers, Chair Won, Council  
24 Member. I'm Magalie D. Austin, Executive Deputy  
25 Commissioner of the New York City Department of

2 Design and Construction, and I'm very pleased to  
3 appear before your committees today to discuss DDC's  
4 MWBE program. I currently oversee the Office of  
5 Diversity and Industry Relations which manages our  
6 MWBE program. Previously, I served as Senior Advisor  
7 to the Mayor and Director of the Mayor's Office of  
8 MWBE's. With me this morning is Deputy Commissioner  
9 Tom Wynne who leads our Infrastructure Division. I'm  
10 proud to report that DDC remains one of the City's  
11 leading agencies for contract awards to MWBE's.  
12 We've had many successes in best practices that are  
13 now shared citywide, and we anticipate substantial  
14 improvement in the future as we continue to move  
15 toward alternate forms of capital project delivery  
16 outside of the traditional lowest bidder contracting  
17 system, which give us greater flexibility. We also  
18 still struggle with some aspects of the program where  
19 we would like to see improvements. This is in part  
20 because of the laws that we would like to change in  
21 Albany, but it's also a function of the construction  
22 market and the availability of subcontracting  
23 opportunities and capacity challenges on DDC's  
24 infrastructure projects. DDC structures its  
25 procurements to take advantage of new tools

2 authorized by New York State to create additional  
3 opportunities for MWBE's. I want to note that we've  
4 also been very creative in our efforts. In Fiscal  
5 Year 21, our utilization rate on projects subject to  
6 Local Law One, which requires us to report annually  
7 on MWBE contract awards with nearly 26 percent, with  
8 350 total contracts valued at \$660 million awarded to  
9 the City's MWBE's. In Fiscal Year 22 our utilization  
10 rate on project subject to Local Law One was 19  
11 percent with contracts valued at \$515 million to  
12 MWBE's. Though this was the first time in over five  
13 years that DDC's utilization was below 20 percent,  
14 this was due to an especially large contract valued  
15 at over \$1.2 billion for highly specialized sewer,  
16 water main, and flood protection work. In the latest  
17 annual MWBE program Compliance Report for Fiscal Year  
18 23, as well as the most recent TMMR, DDC achieved 25  
19 percent MWBE utilization with approximately \$370  
20 million in contract awards to MWBE's. Note that for  
21 our alternate delivery program, including design  
22 build, we have exceeded our goals on both programs  
23 to-date, and we would like-- we would be happy to  
24 discuss this good news with you further. We have an  
25 extensive public outreach program, and since 2015,

2 the Office of Diversity and Industry Relations has  
3 engaged more than 9,400 MWBE's through internal and  
4 external workshops and seminars led by DDC staff.  
5 Earlier this month, for example, in conjunction with  
6 Queens Borough President Donovan Richards, DDC hosted  
7 its second Construction Career and Training Resource  
8 Fair at Queens Borough Hall. And DDC supports MWBE's  
9 not just in the construction industry but also in  
10 design, engineering, and construction management.  
11 Currently, half of the 20 firms that provide  
12 architectural design services for this city's next  
13 generation of public buildings are certified MWBE's,  
14 40 percent of the 15 firms providing construction  
15 management services are MWBE's, and most notably, 68  
16 percent of the 31 firms providing resident  
17 engineering inspection services which encompasses  
18 day-to-day oversight of our infrastructure work, and  
19 four of the five firms providing special inspections  
20 are MWBE's. Much of the City's DDC MWBE program is  
21 regulated by the State, and we've devoted significant  
22 time and resources to lobbying for changes that would  
23 enable us to enhance our program. Those efforts have  
24 been coordinated with the Mayor's Capital Process  
25 Reform Taskforce in our sister city agencies. In

2 2023, as part of the City's collective effort, DDC  
3 helped to secure legislation in Albany to allow for  
4 comprehensive wrap-around insurance. We also helped  
5 to raise MWBE discretionary threshold to \$1.5  
6 million, as Chief Garner mentioned. We also realized  
7 significant success in establishing our own MWBE-only  
8 pre-qualified list for our general construction  
9 procurements between \$500,000 and \$3 million. And  
10 our mentoring program for MWBE's and small  
11 construction firms which required legislation to  
12 establish, was so successful that it has now been  
13 taken over by City Hall to expand to other agencies.  
14 Prior to that in 2023, we awarded our first contract  
15 under the mentoring program and also accepted 29 new  
16 firms to add to the already approved 49 firms. As I  
17 mentioned earlier, we have already demonstrated that  
18 alternative methods of project delivery outside of  
19 the traditional lowest bidder contracting system  
20 greatly increased opportunities for MWBE's, and  
21 that's because alternative delivery in its various  
22 forms allows for greater flexibility and we can  
23 include the proposed MWBE utilization plan as a  
24 formal factor or score in the evaluation process and  
25 selection of our alternative delivery teams. For

3 years, culminating in the introduction of our  
4 strategic blueprint in January of 2019, DDC has been  
5 engaged in an extensive process to implement capital  
6 process reform, and we have had substantial success  
7 in Albany gaining permission to use Design-Build.  
8 Our very first Design-Build project is a combined  
9 parking garage and community space in Kew Gardens,  
10 completed as part of the borough-based jails program.  
11 not only did we build it in less than half the time  
12 we could had we used the lowest bidder contracting,  
13 but MWBE's participation exceeded 37 percent for the  
14 design phase, and 44 percent for construction.  
15 Again, that's because Design-Build does not base  
16 everything on the lowest bid price, and that  
17 inevitably leads to a higher level of MWBE  
18 participation. We set MWBE goals of 30 percent for  
19 both the design portion and the construction portion  
20 of our Design-Build contracts, and acknowledging that  
21 there is much work to do in ensuring that Black and  
22 Hispanic MWBE's have equal access to contracting  
23 opportunities in the program, we have disaggregated  
24 those goals further with individual 10 percent  
25 targets for both Black and Hispanic vendors. We  
continue to advocate for other methods of alternative

2 delivery which will also increase opportunities for  
3 MWBE's. One of those is called CM-Build. DDC  
4 successfully used CM-Build during the pandemic, for  
5 example, and built three large clinics for the City's  
6 public hospital system valued at \$117 million dollars  
7 with 46 percent MWBE utilization. Another is  
8 Progressive Design-Build which will be particularly  
9 helpful with our infrastructure projects and  
10 ultimately making DDC an authority. While we've  
11 been-- we've seen substantial progress in our public  
12 buildings division and the alternative delivery  
13 program, one of the greatest challenges for our MWBE  
14 program remains our extensive portfolio of  
15 infrastructure projects, the barriers for entry for  
16 smaller firms and the manner in which the work in a  
17 typical project is divided. Even in New York City,  
18 the number of firms capable of competing for our  
19 large infrastructure projects, similar to the type  
20 work we do every day in the \$2.5 billion southeast  
21 Queens initiative that we're completing with DEP and  
22 DOT is limited. We see the same group of firms over  
23 and over, and few of them are MWBE's. This is not  
24 likely to change soon as the barrier for entry into  
25 the market to complete these types of contracts is

2 very high, requiring large investments in machinery  
3 and materials. Another element we are bringing to  
4 our Design-Build contract is aiming to hire local  
5 MWBE's. For example, in July, we held a construction  
6 career and MWBE's expo for the Brownsville Girls  
7 Empowerment Center and Community Hub that DDC's  
8 building at 444 Thomas Boyland Street in Brooklyn.  
9 On March 13<sup>th</sup> we're hosting our next quarterly  
10 information system and job fair for Eastside Coastal  
11 Resiliency, focusing on how local residents can get  
12 into the relevant unions. We further held the  
13 Rockaway MWBE vendor event on December 14<sup>th</sup>, and  
14 we'll be replicating events like this across the  
15 City. So in closing, I would re-iterate that DDC is  
16 one of the leading agencies for contract awards to  
17 MWBE's, and we are actively trying to improve on that  
18 performance, both through legislative actions in  
19 Albany and through innovative contracting and hiring  
20 strategies in the City, and as we improve capital  
21 project delivery for this city, we anticipate we will  
22 also expand opportunities for MWBE firms. And thank  
23 you, and we would be happy to answer any questions at  
24 the moment.

2 CHAIRPERSON BROOKS-POWERS: Thank you.

3 And we have been joined by Council Members De La  
4 Rosa, Fariás, Narcisse, Won, Banks, Ariola, Stevens,  
5 Bottcher, Vernikov. And I am going to yield my time  
6 for questions until afterwards, so I'm going to pass  
7 it over to Council Member Won.

8 CHAIRPERSON WON: Thank you so much,  
9 Chair Brooks-Powers. Thank you so much for your  
10 testimony. I just have a few follow-up questions and  
11 some other questions that I wanted to ask. For the  
12 State, Hope Knight was able to announce how they've  
13 been able to clear the backlog, especially for  
14 certifications for MWBE's that have been backlogged.  
15 I think their average was 499 days, and now they're  
16 down to under 120 days. So can you give me two data  
17 points that I'm looking for. One, what is the current  
18 backlog that has yet to be processed and registered  
19 for MWBE's? And secondly, what is your average  
20 number of days for processing, and making sure that  
21 they're registered and certified?

22 CHARLES DIAMOND: Chair, are you  
23 referring to the certification process of becoming a  
24 MWBE?

25 CHAIRPERSON WON: Yes.

2 CHARLES DIAMOND: so, SBS manages that  
3 process, so I would say-- I would doubt any of my  
4 partners would have it. I certainly don't have the  
5 data on how long SBS takes to certify individual  
6 MWBE's. Of course, I know that is of crucial  
7 importance. I'd be happy to connect with SBS and  
8 have them get back to you.

9 CHAIRPERSON WON: Okay, because I know--

10 MICHAEL GARNER: [interposing] I would  
11 mention-- I would mention that the City historically  
12 has been faster than the State, and yes--

13 CHAIRPERSON WON: [interposing] But you  
14 all are unaware of the average number of days that it  
15 takes for you to register? Because I know that MOCS  
16 [sic] was doing MOCS in Your Neighborhood and they  
17 were helping people register in different parts of  
18 the borough in Queens to get registered for MWBE's.

19 CHARLES DIAMOND: Yeah, so there are--  
20 there are a couple different aspects that vendors  
21 have to do. Even after they're certified, they also  
22 have to get filed on Passport. They have to do their  
23 integrity questionnaires. They need to do all of  
24 that. So, MOCS, you're absolutely right, the MOCS in  
25 Your Neighborhood program, we're going out there.

2 We're sitting with vendors, having them fill out that  
3 application. I believe if we're talking about  
4 filings, it's definitely regarding Passport. In  
5 terms of sending them to SBS to get certified.  
6 However, MOCS does not manage the process of  
7 certification.

8 CHAIRPERSON WON: Okay, so within  
9 Passport which you oversee in MOCS, how many days  
10 does it take? What's the average number of days?

11 CHARLES DIAMOND: Well, zero for-- so SBS  
12 and MOCS have a direct data link. Actually, I think  
13 it's every 24 hours, so one day. So if someone's  
14 certified, that will be represented very quickly.

15 CHAIRPERSON WON: So, how many days is it  
16 taking for them from the day that they try to  
17 register with SBS to the end through the-- through  
18 Passport and everything else that they have to do to  
19 file in the MOCS-- within MOCS' Passport? So you're  
20 saying that it takes zero days?

21 CHARLES DIAMOND: So, the average day for  
22 filing in terms of all vendors, I can certainly get  
23 back to you on that data, but again, I think in terms  
24 of SBS certification, that is not something that's  
25 managed in Passport. It's not part of the

2 procurement process. That, if you are a MWBE or not,  
3 that process is entirely within SBS, and they  
4 determine that based off of their criteria, based off  
5 of state finance law. So that's not a procurement  
6 act unto itself. To your question of once it gets to  
7 that point, it is very automatic that someone would  
8 have that benefit of being a certified MWBE, but  
9 Passport does not tell you or not tell you whether  
10 you qualified. It will merely represent whether SBS  
11 has certified you or not.

12 CHAIRPERSON WON: How many MWBE's do you  
13 currently have in MOCS that are certified?

14 CHARLES DIAMOND: So, I think there are  
15 over 10,000 certified MWBE's. I know-- perhaps it  
16 would be helpful, Chair Won, turning to something  
17 that you raised, and I believe Chairperson Powers  
18 raised as well, the percentage of MWBE's who actually  
19 win a contract. So you're exactly right, that's  
20 something that we look at a lot. We have a lot of  
21 MWBE's in the program, over 10,000 certified, and of  
22 course, we don't do 10,000 large contracts a year,  
23 far from it. So we look at that trend. It's going  
24 up. This year or last year, Fiscal Year 23, is 15.6  
25 percent of MWBE's are winning a contract. So what

2 we're talking about, of that 10,000 in the SBS list,  
3 they're all going-- in terms of them competing, it's  
4 still a small portion. Now that has a lot of reasons  
5 why. But just two years ago it was 14.3 percent.  
6 We're seeing a distinct trend upwards in terms of the  
7 proportion of SBS-certified contractors who are able  
8 to effectively compete in the program. So I think  
9 that's something that we are seeing more. However,  
10 in terms of the idea of how long it takes for someone  
11 to actually be certified, that again, I'd say is not  
12 something that we capture in Passport. I'd be happy  
13 to connect with my colleagues at SBS and get back to  
14 you with that data.

15 CHAIRPERSON WON: Yeah, we'll follow-up.  
16 And the Chief Diversity Officer, you were going to  
17 say something?

18 MICHAEL GARNER: I was going to just  
19 expand on Charles' answer with respect to the number  
20 of firms. I mean, first of all, the City's process  
21 is always been a lot quicker than the State's  
22 process.

23 CHAIRPERSON WON: But you're unaware of  
24 the average number of days?

2 MICHAEL GARNER: right. No, that's an  
3 SBS question. We'll be sure to follow up with  
4 getting those metrics.

5 CHAIRPERSON WON: So there's no  
6 coordination amongst the agencies with SBS for MWBE's  
7 certification?

8 CHARLES DIAMOND: No, there certainly is,  
9 Chair Won. Again, this is their process that they  
10 manage. They were not invited today. I don't have  
11 their data points in front of me. I'd be happy to  
12 get them, but again, it's an SBS-managed process. It  
13 does, of course, matter, and it's important, but  
14 again, it is their specific data point and process  
15 that they manage. We do not have that in front of us  
16 today.

17 CHAIRPERSON WON: Okay. So, we'll be  
18 following up. And can you please expand on how  
19 you're disaggregating the data for minority and  
20 women-owned businesses? How are you disaggregating?  
21 Because you were just testifying for DDC that you  
22 were looking at Black-owned businesses, Hispanic-  
23 owned or Latin-x-owned businesses, how are you  
24 disaggregating that even further for women of color  
25 owned businesses?

2 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

3 I'm sorry, can you repeat the question? How are we  
4 disaggregating the goals?

5 CHAIRPERSON WON: For diversity within  
6 diversity, how are you disaggregating the data to  
7 separate out and provide transparency publicly for  
8 women minority owned businesses?

9 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

10 Yes, thank you so much for the question. So, at DDC  
11 the way that we go about setting a goal, it's per  
12 forma [sic] to set disaggregated goals for seven  
13 years now. We haven't set a global goal. We set  
14 disaggregated goals targeting specific ethnic and  
15 gender, and that's because about eight years ago we  
16 realized while, you know, globally the MWBE program  
17 was progressing, there were groups specifically Black  
18 and Hispanic vendors were not doing as well. So when  
19 we get-- for example, when we work with the  
20 infrastructure program we get scope of services that  
21 will be required, and we examine the SBS database for  
22 availability of vendors, specifically Black and  
23 Hispanic vendors. Once we determine the availability  
24 and capacity, then we set a goal for Black vendors,

2 for Hispanic vendors and for Asian vendors, as well  
3 as women-owned businesses.

4 CHAIRPERSON WON: But how are you  
5 separating out women black-owned businesses, women  
6 Asian-owned businesses, women Hispanic-owned  
7 businesses out of your data set?

8 CHARLES DIAMOND: So, Chair Won, in all  
9 the quarterly Local Law One reports that come out in  
10 the year end one, they're disaggregated by all of  
11 those data points. So all of the ones that are  
12 enabled by Local Law One in the Council's  
13 legislation, those are the data points that are a  
14 result in the Local Law One report, quarterly and  
15 yearly. So those are disaggregated goals. You can  
16 find all that data.

17 CHAIRPERSON WON: Could you help me  
18 understand why the disparity report has not been  
19 released since 2018, using 2015 data?

20 CHARLES DIAMOND: I'm sorry, which  
21 report, Chair Won?

22 CHAIRPERSON WON: For the disparity  
23 report that is supposed to be done every-- every two  
24 years--

2 CHARLES DIAMOND: [interposing] Oh, it's  
3 very [inaudible]

4 CHAIRPERSON WON: why it hasn't been  
5 reported since 2018 which uses 2015 data?

6 CHARLES DIAMOND: Yeah, I'll turn to  
7 Chief Garner, but I know that our colleagues at SBS  
8 have been working on it and are planning a lot of  
9 work around it.

10 MICHAEL GARNER: so, one of our first  
11 goals was to hire a consultant to conduct a disparity  
12 study, and I'm happy to say that that vendor has been  
13 hired with a goal of coming back with the disparities  
14 in November of 2024. And so that contract has been  
15 awarded. We are meeting. We are having a pre-  
16 meeting on next week, and once again, it is February  
17 going into March. The results of that disparity  
18 study will be finalized by November 2024.

19 CHAIRPERSON WON: So, does that mean that  
20 we can expect to see a new report out by November  
21 2020--

22 MICHAEL GARNER: Yes. Yes. Let me also  
23 just go back to one of your previous questions. It  
24 was indicated that there are more than 10,000  
25 certified MWBE's. Historically speaking there was an

3 emphasis on certifying companies, and so a lot of  
4 firms were certified who would never get contracts in  
5 the City of New York because the goal was on the  
6 certification of firms. We have amended that. So we  
7 are working with SBS and MOCS to create a marketing  
8 and advertising campaign to recruit firms where the  
9 opportunities are going to be. What does that mean?  
10 That each agency has a forecast, and based upon their  
11 forecast of what they are going to be procuring  
12 within the next 12-24 month, what areas are they  
13 going to be awarding contracts? This is how we are  
14 setting our MWBE certification outreach as to where  
15 the opportunities are going to be. And so when  
16 these firms are now certified, we are working in  
17 tandem with MOCS and SBS and all the agencies, once a  
18 firm is certified, to identify a particular contract  
19 opportunity at the agencies where we can integrate  
20 these certified firms into these opportunities. So,  
21 no longer are we using a shotgun approach to certify  
22 companies. We're using a specific approach of where  
23 the opportunities are going to be.

24 CHAIRPERSON WON: thank you. What data  
25 does MOCS track and analyze regarding MWBE's and  
small business utilization across city procurement?

2 Since you have said that for certification dates,  
3 backlog, etcetera, that it is not part of your  
4 purview, it's in SBS. So what is under your purview?

5 CHARLES DIAMOND: Thank you, Chair Won.

6 So, in the MWBE program where generally which we  
7 could call the administrative code 6129-- we call it  
8 Local Law One, some people call it local law 174--  
9 within 6129 it lays out pretty specific paradigm of  
10 the roles of I would say the three main agencies.  
11 That being Small Business Services, MOCS, and of  
12 course, the Office of MWBE. So, within that, we all  
13 have certain distinct roles. As we pointed out, I  
14 would say probably the most crucial one, of course,  
15 is MOCS does manage the Local Law One reporting in  
16 the first instance. It must be emphasized the fact  
17 that those reports, of course, we work with SBS and  
18 we work with Chief Garner's team, but we also work  
19 with our agencies with extensive turnaround documents  
20 which are very laborious for them. So we do a  
21 significant amount of reporting regarding MWBE  
22 procurement. We have those quarterly Local Law One  
23 reports which are posted. There was a year-end  
24 summation report, and of course, our annual  
25 indicators report will include base data there. It's

2 not MWBE-focused like the Local Law One report. So  
3 there's that role. There's also several distinct  
4 procurement roles. So there are certain times when  
5 MWBE issues are procurement issues of can you have x  
6 or y in a contract. That will, of course, come to  
7 MOCS. A huge, huge, huge role that we-- I think Chief  
8 Garner started to emphasize, and I think Executive  
9 Deputy Commissioner Austin also emphasized are these  
10 legislative gains that we've had in the last few  
11 years. So we look at the procurement tools. One of  
12 the key things for MOCS is we want to deliver our  
13 agencies the tools they need to be able to achieve  
14 the goals that the Mayor has set that the City  
15 demands. So we talk about upping to \$1.5 million in  
16 non-completive small purchase. We were able to  
17 implement that from the Governor signing it to being  
18 operational for agencies in eight days. That  
19 compares to eight months the last time around.  
20 Through great partnership with the Comptroller's  
21 Office, through great partnership with our agencies,  
22 with the Law Department, with everybody of saying how  
23 can we move legal ability into operational results  
24 for the City. That's exactly what we're looking at.  
25 So for MOCS' role, we have a lot of things under 6129

2 that we have to do, but by far the most important is  
3 I think working with our partners at SBS and OMWBE to  
4 find those new tools for our agencies, non-composed  
5 small purchase, MWBE-only PQL which DDC has  
6 championed. So many of these tools that we can  
7 create, and then also breaking down the barriers to  
8 entry, because even if they're universally  
9 applicable, those barriers to entry whether it be  
10 public hearings, something that we're working on  
11 right now, EO102 [sic]. Those barriers to entry of  
12 course disproportionately harm our MWBE's and our  
13 small businesses, because those are the ones that are  
14 least able to bear it. So all of that work I think  
15 is crucial to heart of MOCS.

16 CHAIRPERSON WON: For barriers to entry,  
17 what languages are available for MWBE's to register  
18 and certify and use Passport?

19 CHARLES DIAMOND: I can great back to you  
20 on the exact number of languages. I do know in 2022  
21 we did an extensive language access program we worked  
22 with you with. I can certainly give you any updated  
23 numbers since that time.

24

25

2 CHAIRPERSON WON: Okay, because I just  
3 want to put on the record, Passport still has not  
4 added any new languages other than English.

5 CHARLES DIAMOND: Okay, I'll certainly  
6 follow up with you in that regard.

7 CHAIRPERSON WON: And can you-- thank you  
8 for your explanation for-- to differentiate what  
9 you're responsible for at MOCS, SBS. For MOCS  
10 itself, what are the top line statistics that you  
11 capture and analyze for capital projects?

12 CHARLES DIAMOND: So, in terms of  
13 capital projects, I would perhaps defer to DDC  
14 regarding anything specific to capital. From our  
15 perspective, our top line that we analyze is that  
16 Local Law One number and the One NYC number that  
17 Chief Garner spoke about. One, routed in-- or based  
18 in 6129, very specific, has specific conclusions and  
19 exclusions, and One NYC intended to capture the much  
20 more holistic use of non-Mayorals [sic], of non-Local  
21 Law One. Those are the top line metrics that are  
22 always going to drive it. However, Chief Garner  
23 brought up a really accurate point of these kind of  
24 MWBE CompStat meetings. We're diving down on  
25 everything. We have for our award method, 72 data,

2 using real live data to be able to say how many of  
3 these discretionary contracts are you giving out,  
4 when, and being able to interact with the agencies on  
5 it. So we have those two top line data points that  
6 will always matter to us. Those are the real  
7 indicators of success, but we drill down with the  
8 agencies in many regards whether it be AMs, non-  
9 competitive small purchases. I call it AM 72  
10 purchases. Whether that be PQL lists, we're working  
11 very closely with some of our agencies right now  
12 regarding more MWBE on the PQL list closely with  
13 Chief Garner's team.

14 CHAIRPERSON WON: I want to know--

15 MICHAEL GARNER: [interposing] and to  
16 expound--

17 CHAIRPERSON WON: Oh, sorry, go ahead.

18 MICHAEL GARNER: To expound on what  
19 Charles is indicating, we're currently having  
20 internal conversations about employing an information  
21 technology platform that will not only allow us to  
22 track MWBE awards, but to track MWBE payments as  
23 well.

24 CHAIRPERSON WON: Thank you. And I want  
25 to acknowledge that we've been joined by Council

2 Member Sandy Nurse. What program and services does  
3 MOCS offer to build the capacity and competitiveness  
4 of MWBE's to encourage our participation in the  
5 public procurement process, and how effective have  
6 they been? What is under your purview outside of  
7 SBS?

8 CHARLES DIAMOND: Absolutely. So I think  
9 that's actually a great example of where there is  
10 significant amount of interagency cooperation. We  
11 have, as I-- I know I testified to last time I was  
12 here regarding emergency contracts. We have an  
13 extensive MOCS in Your Neighborhood program, whereby  
14 under this Administration, unlike in previous  
15 Administrations, MOCS is putting itself out there  
16 into the neighborhoods going to-- using the SBS  
17 mobile van, booking out Chambers of Commerce rooms,  
18 doing all these things, as you discussed Chair Won,  
19 of really getting into and meeting vendors where they  
20 are so that we can help them with what are tedious  
21 and difficult things, but if you have someone  
22 standing there with you, it can take five minutes.  
23 So we've seen a huge amount of success. I will pull  
24 it up for you right now. So in terms of our MOCS in  
25 Your Neighborhood, we've had over 33 trainings, both

2 in-person and online, 4,900 individuals. So these  
3 are vendors, not agency personnel, vendors or  
4 potential vendors who are attending these sessions,  
5 and we are seeing an incredibly high uptick in terms  
6 of them actually, as we say, getting filed. So we  
7 have people who are going there and attending those  
8 hearings, or attending those meetings. They are  
9 going to filing exponentially faster. So, 33  
10 trainings in this new Administration. We hope to  
11 continue to do more, and that is an area where I do  
12 have to emphasize SBS runs their Procurement Training  
13 Institute which they're-- which is very specific,  
14 which OMWBE and MOCS also assist with. So we have  
15 those agency-sided trainings as well as the vendor-  
16 sided trainings. We have both.

17 CHAIRPERSON WON: How many people  
18 attended those 33 trainings?

19 CHARLES DIAMOND: It was over 4,900, and  
20 that's vendors. So we could-- it could be multiple  
21 individuals from one vendor, but 4,900 of vendor  
22 side.

23 MICHAEL GARNER: Yeah, I just wanted to  
24 mention also is that we've created MWBE borough-based  
25 outreach events, and so we are taking the City's MWBE

2 programming to each one of the boroughs. We had  
3 standing room only crowd in the Bronx last week. We  
4 will be going to Queens in April. These MWBE borough  
5 outreach events are coordinated in conjunction with  
6 the Bronx Borough President and other Chamber of  
7 Commerces. So we want to take our programming to the  
8 boroughs. And so in a perfect world, if there are  
9 large contracts that are going on, we want to expose  
10 our MWBE firms to those third-party contractors and  
11 consultants for subcontracting opportunities.

12 CHAIRPERSON WON: For the Office of MWBEs  
13 we see that there was a \$70,000 PEG. How has this  
14 impacted the operations if at all to provide services  
15 to MWBEs?

16 MICHAEL GARNER: I'm sorry, the PEGs?

17 CHAIRPERSON WON: Yes.

18 MICHAEL GARNER: We're moving full steam  
19 ahead. We are optimistic that as we move forward  
20 those PEGs will be lifted, but we're hiring talented,  
21 qualified staff. We're advocating for programs and  
22 information technology services, also the  
23 construction mentoring programs. Citywide  
24 construction mentoring program has been funded, and  
25

2 so to make a long story short, we're moving full  
3 steam ahead.

4 CHAIRPERSON WON: So, where-- how did the  
5 \$70,000 get impacted? So, where did you take the  
6 \$70,000 from?

7 MICHAEL GARNER: Out of staff vacancies.

8 CHAIRPERSON WON: And could you identify  
9 the vendor that's going to be conducting the  
10 disparity study, your contractor?

11 MICHAEL GARNER: Yes, it's CUNY, CUNY.

12 CHAIRPERSON WON: Oh, CUNY.

13 MICHAEL GARNER: Yes.

14 CHAIRPERSON WON: Okay, because I have a  
15 lot of questions, I'm going to yield my time for now,  
16 and I'm going to turn it over to Council Member  
17 Stevens.

18 COUNCIL MEMBER STEVENS: Good morning. I  
19 just have a question, because I know in the testimony  
20 it was stated that you'll be paying MWBE's within 10  
21 days after receiving the-- after the invoice is  
22 submitted. Can you talk a little bit about that  
23 process and how you got to this? I would love to  
24 hear more about that.

2 MICHAEL GARNER: Yes, that's for our  
3 construction mentoring program. When we built that  
4 program at the SCA and at the MTA, we wrote policies  
5 that indicates that when a contractor completes a  
6 portion of their contract, they submit an accurate  
7 invoice, terms and conditions, or our policies  
8 dictate that that contractor must be paid in 10  
9 business days.

10 COUNCIL MEMBER STEVENS: And I ask that  
11 just because I'm trying to figure out why we're not  
12 doing that more throughout more of our contracts in  
13 the rest of the City, because that's one of the major  
14 issues that we hear, not only with businesses, but  
15 also nonprofit providers. So, just wanting to get  
16 more clarity of like, how do we-- if we're seeing  
17 that this is working, and obviously it's going to  
18 work because people want their money, how do we now  
19 do this more holistically throughout some of our  
20 other contracts? Is that part of the conversation,  
21 especially with all the MWBE's moving forward? Is  
22 that something that you guys are planning on?

23 MICHAEL GARNER: Certainly, those  
24 conversations are taking place. I would also say  
25 that at the MTA, one of the Chairs that I worked for

2 indicated that when we experience best practices  
3 within programs, let's talk about expanding that best  
4 practices throughout the organization.

5 COUNCIL MEMBER STEVENS: Yeah.

6 MICHAEL GARNER: And so we basically are  
7 in the process of implementing this citywide  
8 construction mentoring program. That is going to be  
9 a written policy. We're going to focus on that and  
10 then once it's working have other conversations about  
11 how we expand that.

12 COUNCIL MEMBER STEVENS: Thank you. I  
13 would love to be a part of those conversations and  
14 thinking about how we can expand that, because I  
15 think it's something we need to really be moving  
16 towards in the City, where people are doing the work  
17 and still not getting paid for it in a timely manner,  
18 and it's just not acceptable, and so I'm just happy  
19 to hear that that is even something that's being  
20 discussed as we're rolling it out.

21 MICHAEL GARNER: We can absolutely. And  
22 I can tell you also as well, that when we get emails  
23 and complaints about firms not getting paid in a  
24 customer service response, we are all hands in in  
25

2 working with the agencies, identifying the problem  
3 and assuring that those firms get paid.

4 COUNCIL MEMBER STEVENS: Yeah, because  
5 especially our MWBEs. These are-- a lot of them are  
6 small and they can't-- they can't sustain it, and so  
7 a lot of businesses stray away from city contracts,  
8 because the model that we have just isn't equitable.  
9 And so just making sure we're thinking about that as  
10 we're rolling out MWBEs and how we're making sure  
11 we're setting them up for success, because I've had  
12 multiple conversations where folks are saying I don't  
13 even go after those contracts, because I can't do  
14 reimbursement. Like, that's just not the structure--  
15 I don't have \$100,000 to pay up front and then get  
16 reimbursed. And so we really have to think about  
17 when we're saying, like, we want it equitable and we  
18 want to make sure people have access, that is a huge  
19 barrier in this work. So, but like I said, I like to  
20 hear that and want to continue to have that  
21 conversation.

22 MICHAEL GARNER: Absolutely, and we share  
23 the same sentiment of creating an environment that's  
24 conducive to the growth and development of our MWBE  
25 firms.

2 COUNCIL MEMBER STEVENS: Thank you.

3 CHAIRPERSON BROOKS-POWERS: Thank you.

4 Next we'll have questions from Council Member  
5 Narcisse.

6 COUNCIL MEMBER NARCISSE: Thank you.

7 Good morning for being here. Thank you, Chair. One  
8 of the thing, first, this process is very complex to  
9 get MWBE process, right? And usually our folks  
10 plateau. Like, I'm talking about small businesses,  
11 MWBEs providers are plateaued by one million. I can  
12 talk about it because I've been there. One of the  
13 thing that we find out in the process that there's  
14 folks, there's bad players that not really minority,  
15 you know, business owners that able to get themselves  
16 in the process. I hope you know what I'm talking  
17 about. So what are you doing to eliminate those bad  
18 players in the process?

19 MICHAEL GARNER: so, you're talking about  
20 MWBE fraud where--

21 COUNCIL MEMBER NARCISSE: [interposing]  
22 There's some fraudulent folks in the process  
23 pretending to be minority--

24 MICHAEL GARNER: [interposing] Yes.

25

2 COUNCIL MEMBER NARCISSE: business owned,  
3 if you want me to be for real. I was trying to play  
4 around it. So what are you doing?

5 MICHAEL GARNER: No, I'm fine with that.

6 COUNCIL MEMBER NARCISSE: Okay.

7 MICHAEL GARNER: I can tell you what we  
8 did at the MTA. When we-- when there was a red flag  
9 with the firm where their operations and their  
10 ownership and control seemed to be someone other than  
11 the principal who became certified, we worked with  
12 our inspector general's office. And so there has  
13 been a lot of MWBE fraud indictments and also fines.  
14 And so we're very focused on rooting out bad players  
15 or individuals who take advantage of the MWBE  
16 certification programs. And so certainly, that will  
17 continue here at the City of New York. If any of my  
18 staff come across someone who we think is a front, we  
19 will forward that firm over to the inspector  
20 general's office.

21 COUNCIL MEMBER NARCISSE: Thank you. Can  
22 you provide example of successful partnership between  
23 DDC and MWBEs on the past-- on the past projects?

24 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:  
25 Sure. Thank you so much for that question, Council

2 Member. So, I think the most success that we've had  
3 are on projects where we use, like I said earlier,  
4 alternative delivery programs. For example, during  
5 the pandemic, we-- you know, we were in a hurry. We  
6 had emergency contracts, and I don't know if you were  
7 aware, but emergency contracts are excluded from the  
8 MWBE program, but at DDC we didn't exclude them, and  
9 we had the flexibility to ensure that MWBES  
10 participated in those projects. So, the three  
11 clinics that we-- the health centers that we built  
12 for the City's hospital system valued at over \$117  
13 million. We have 46 percent utilization rate on  
14 those, and one of the-- and we were able to actually  
15 not just through subcontracting, also through prime  
16 contracting. So one of the construction managers was  
17 an African-American woman, and we were able to do  
18 that because we weren't constrained by the lowest  
19 bid, and I stated in my testimony, whenever we have  
20 the flexibility, it really allows us to put-- for  
21 lack of a better word-- pressure on the primes to  
22 make sure that they enhanced the MWBE program.

23 COUNCIL MEMBER NARCISSE: Thank you.

24 Thank you, Chair.

3 CHARLES DIAMOND: Yes, and City

4 Councilperson, let me just expound upon that also as  
5 well. Due to once again the weekly MWBE asylum  
6 meetings that we have, there were a lot of contracts  
7 that were awarded to nonprofits which we don't have  
8 the ability now to assign MWBEs goes to-- human  
9 services contracts. However, when those contracts  
10 expire, we do-- we have conversations about giving us  
11 the ability to assign MWBE goals before that contract  
12 is going to be extended, and in a lot of cases, the  
13 answer has been yes, and once again, we are going to  
14 report in a very short period of time that contracts  
15 to MWBE firms in the asylum-seeker migrant spin has  
16 exceeded one billion dollars. And so we're going to  
17 announce that in a very short period of time.

18 CHAIRPERSON BROOKS-POWERS: Thank you.

19 So, DDC is the city's primary capital construction  
20 project manager, building many of the civic  
21 facilities in New York City, as I mentioned in my  
22 opening statement, and while also designing and  
23 improving vital infrastructure. The number of  
24 projects DDC is currently working on and projected  
25 new projects in 2024, could you provide a breakdown  
of what that looks like?

2 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

3 That's not something that I have with me. Can we get  
4 back to you on that?

5 CHAIRPERSON BROOKS-POWERS: If someone  
6 can get the answer while we're in the hearing, that'd  
7 be great. Also, I'd like to know the average number  
8 of projects generally speaking that DDC works on per  
9 year. Do you know that?

10 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

11 The average-- I'm sorry?

12 CHAIRPERSON BROOKS-POWERS: Projects that  
13 DDC works on each year.

14 DEPUTY COMMISSIONER WYNNE: Within the  
15 infrastructure group, I'd say on average year over  
16 year we do about 60 projects.

17 CHAIRPERSON BROOKS-POWERS: And can you  
18 provide a breakdown in terms of the number of MWBE  
19 contracts currently awarded and projected for 2024 in  
20 terms of the average number of MWBE contracts that  
21 are awarded, like for this year versus just generally  
22 speaking year to year?

23 DEPUTY COMMISSIONER WYNNE: So, on the  
24 infrastructure side, we have limited-- we have  
25 limited direct MWBE contracts due to the thresholds.

2 There are rarely infrastructure projects that are  
3 less than \$1.5 million dollars. We are putting out a  
4 sidewalk contract. We put out some PED-RAM [sic]  
5 contracts because we're able to size tem to meet that  
6 need. So most of our MWBEs are on the subcontracting  
7 side.

8 CHAIRPERSON BROOKS-POWERS: In terms of  
9 capital commitment rates for Fiscal Years 2019 to  
10 2023, what was the commitment plan at adoption, and  
11 what was the actual committed amount at the end of  
12 the fiscal years?

13 EXECUTIVE DEPUTY COMMISSIONER OCHOA: Hi,  
14 Council Member. I could take it from the DOT side.  
15 Last year, DDC-- the DOT projects that we send to  
16 DDC, they completed about 97-98 percent of the  
17 projects we set for the beginning of the year. So we  
18 were very happy with their delivery. Just for  
19 awareness, DDC usually handles our street  
20 reconstruction projects, as well as our PED-RAMS  
21 [sic] as Tom mentioned. So we were thrilled with the  
22 amounts that they produced last year.

23 MICHAEL GARNER: You wanted to talk about  
24 the citywide centralized construction mentoring  
25 program is going to give us the ability to award

2 prime contracts to our MWBE firms up to \$5 million  
3 dollars. And so we are garnering or gathering  
4 projects from each one of our agencies, nine agencies  
5 in total, and they are allocating projects to this  
6 centralized program. And so that's going to give us  
7 the ability to award prime construction contracts to  
8 our MWBE firms who under certain circumstances only  
9 could work for the City as a prime contractor. We  
10 are de-bundling and having the agencies de-bundle  
11 their projects into smaller sizes from 100,000 to  
12 five million.

13 CHAIRPERSON BROOKS-POWERS: What are the  
14 nine agencies?

15 MICHAEL GARNER: The nine agencies, you  
16 would ask me that. NYCHA, EDC-- NYCHA, EDC, H+H,  
17 DEP, DOT, Parks,--

18 CHAIRPERSON BROOKS-POWERS: You got three  
19 more. Three more.

20 MICHAEL GARNER: Three more. Sanitation--  
21 - I will send you the list of the nine agencies that  
22 would be part of this centralized construction  
23 mentoring program.

24 CHAIRPERSON BROOKS-POWERS: Okay. But  
25 you answered for DOT, Paul, but in terms of the

2 agency and its commitment and the actual commitment  
3 versus actual, what does that look like? Someone's  
4 working on that one?

5 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
6 We're working on those numbers.

7 CHAIRPERSON BROOKS-POWERS: While you're  
8 getting on that, Council Member Won has a add-on to  
9 that question.

10 CHAIRPERSON WON: How are we authorized  
11 to hire MWBEs up to five million if the state  
12 authorization is \$1.5 million? Are they still  
13 competitively bid?

14 CHARLES DIAMOND: They're different  
15 enabling legislations, Chair Won. So the mentorship  
16 program is a different one to the non-competitive  
17 small purchase which is \$1.5. So there's simply  
18 different tools that the state has given us.

19 CHAIRPERSON WON: And then to follow up  
20 on what DDC was saying, how most of the MWBEs are in  
21 your subcontracts, not prime-- from our conversations  
22 that we've had with the Comptroller's office who is  
23 in this room right now, it sounds like mayoral  
24 agencies are not consistent when it comes to entering  
25 subcontractor MWBE utilization and to the payee

2 information portal. Are you doing anything to ensure  
3 agencies update PIP with accurate subcontractor MWBE  
4 data, because without it, the data makes it difficult  
5 for oversight bodies like the Council and the  
6 Comptroller to accurately analyze overall MWBE  
7 utilization? We want to make sure that we're  
8 separating and disaggregating subcontracts from main  
9 contracts, prime contractors.

10 CHARLES DIAMOND: Chair Won, thank you.

11 I would take that holistically where the idea is that  
12 issues with not having enough information in PIP  
13 [sic] the payee information portal is a longstanding  
14 and very, very troublesome issue. It's absolutely  
15 something that we encourage our agency to ensure  
16 they're doing. And to be quite frank, the City has--  
17 we've taken it a step further. As the Comptroller  
18 knows, we've engaged in very broad scoping and design  
19 for new subcontractor functionality that will  
20 actually be in Passport, as opposed to PIP being co-  
21 managed, now PIP will still have some functions,  
22 there's different things, but crucially PIP does not  
23 work as we need it to work. I think we've all known  
24 that for years, and so we've scoped to design the  
25 subcontractor functionality that's going to go into

2 Passport in the near future. Those contractual  
3 timeline details are all being finalized, but it's  
4 been fully scoped, and we're going to implement these  
5 changes. So we completely agree that the PIP system  
6 and the way the agency interact with it does not fit  
7 the needs. We need more data. We need more  
8 information. I would highlight, although the  
9 important difference of spend and contract value. As  
10 Chief Garner very accurately was saying before, we  
11 have to manage both, because from a contractual  
12 standpoint we can manage values, but it's all  
13 relatively meaningless if the spend isn't there at  
14 the end. So also managing those kind of two  
15 different metrics is also crucially important. So we  
16 agree.

17 CHAIRPERSON WON: When can we see this in  
18 Passport? When it looks like the date for this  
19 update?

20 CHARLES DIAMOND: I'm not aware of a set  
21 date when it's supposed to be in. It is absolutely  
22 scoped for, I believe, the next release. It's that in  
23 document vault, which you're familiar with Chair Won  
24 that are in there. So I can certainly follow up with  
25

2 it. There's-- with our tech team on a specific  
3 timeline, but that is all-steam ahead.

4 CHAIRPERSON BROOKS-POWERS: And just in  
5 line with that, I'll just go back around to the  
6 subcontractor question now, because I did have that  
7 also cued up. How is the Administration working to  
8 ensure that MWBE subcontractors receive on-time  
9 payments? MWBEs can be extremely vulnerable when  
10 they are not made whole in terms of the work in  
11 timely manner. We've seen a number of cases in terms  
12 of city contracts broadly speaking where you would  
13 have a sub that's not getting their payment on time  
14 for the prime, but the City is protected because the  
15 contract is not between them and the sub. So I'm  
16 interested in understanding what the Administration  
17 is doing to ensure that these subcontractors do  
18 receive their payment on time, and making sure that  
19 they have metrics in place where we're seeing this on  
20 the front end as opposed to when the work has been  
21 completed and they're still not being paid, as well.

22 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

23 Council Member, if I may, I can talk about the DOT  
24 perspective because that's excellent question. We at  
25 DOT actually require that whenever we make a payment

2 through the prime, the first folks who get paid out  
3 are the MWBE subs. So that is a policy change that  
4 we're doing. Meaning, when we-- when the prime gives  
5 us a bill and there's subcontracting in place, we  
6 actually require that the payment goes first to the  
7 MWBEs on the project. But you raise an excellent  
8 point, that it's actually a lot of the times is on  
9 the primes to submit the billing on time and  
10 correctly. I think Chief Garner made an excellent  
11 point, that accurate billing is sometimes the reason  
12 of the delays. It's not cutting the checks. The  
13 checks we can cut very easily, but it's the accurate  
14 billing, and that's usually on the prime. So we work  
15 a lot with-- hand in hand with the primes of these  
16 large contracts to make sure that they're giving us  
17 the bills correctly so that we don't have to go back  
18 and forth. Sometimes it takes weeks. Sometimes it  
19 can take months. And then we also require that they  
20 pay out the MWBE vendors first before they pay  
21 themselves or any other subs that are non-MWBEs.

22 CHAIRPERSON BROOKS-POWERS: Now, while my  
23 follow-up question to that is not necessarily  
24 infrastructure related, and this is for you, Mr.  
25 Garner. In terms of other MWBE contracts with the

2 City, when you think of for example, MOCJ, is-- I  
3 know that that does not apply to them. Is this a  
4 space where you see some reform to that process being  
5 possible?

6           MICHAEL GARNER: Yes, absolutely. So we  
7 have-- we were fortunate enough to hire Dwight Flynn  
8 who worked for the Cuomo and the Hochul  
9 administrations, and he was in charge of the MWBE  
10 contract compliance. One of his duties and  
11 responsibilities was, was to create an information  
12 technology platform in which all 97 of those state  
13 agencies were required to use. We are having  
14 internal discussions right now of adopting an  
15 information technology platform and I will walk you  
16 through it in 30 seconds. So, in the terms and  
17 conditions of a contract when the contract is awarded  
18 to a third-party contractor or consultant, there's  
19 language in there that says that by the 10<sup>th</sup> of each  
20 month the contractor or consultant must pay or must  
21 enter the MWBE payments in a portal. And so by the  
22 10<sup>th</sup> of each month, that third-party contractor is  
23 required to do that. And then, the same portal, the  
24 MWBE firm has the ability to go to the portal and  
25 verify the payment. And so we are exploring

2 conversations as we have right now in coming up with  
3 an information technology platform.

4 CHAIRPERSON BROOKS-POWERS: Thank you for  
5 that.

6 MICHAEL GARNER: I can give you the names  
7 of those agencies in the centralized construction  
8 mentoring program if you'd like.

9 CHAIRPERSON BROOKS-POWERS: I'm ready.

10 MICHAEL GARNER: Okay, DCAS, NYCHA, HPD,  
11 Health + Hospitals, DOE, Parks, EDC, DEP, and DOT.

12 CHAIRPERSON BROOKS-POWERS: Hold on, I  
13 think I have extras. I have NYCHA, EDC, Health +  
14 Hospitals, DEP, DOT, Parks, Sanitation, DCAS, HPD,  
15 and DOE.

16 MICHAEL GARNER: Scratch-- scratch  
17 Sanitation.

18 CHAIRPERSON BROOKS-POWERS: Okay.

19 MICHAEL GARNER: And so there's nine, and  
20 once again, DCAS, NYCHA, HPD, Health + Hospitals,  
21 DOE, Parks, EDC, DEP, and DOT.

22 CHAIRPERSON BROOKS-POWERS: Perfect. And  
23 we've been joined by Council Member Rivera. Wanting  
24 to just pivot to DDC strategic blueprint. In 2022,  
25 DDC released an update on their strategic blueprint

2 which summarizes DDC's commitment and new goals to  
3 maximize public investments. One focus area of the  
4 report was expanding opportunities for MWBEs, which  
5 we're going to dig into. But first, we like to know,  
6 how is DDC implementing the overall goals of the  
7 blueprint form 2022, and what type of progress has  
8 been made and how have the focus areas described and  
9 improved as well?

10 ASSOCIATE COMMISSIONER MARGOLIES: Good  
11 morning, Chair. I'm happy to answer generally. Good  
12 to see you. We actually are about to release an  
13 update to that blueprint in the next few weeks,  
14 hopefully.

15 CHAIRPERSON BROOKS-POWERS: One moment.

16 COMMITTEE COUNSEL: Sorry, just one  
17 moment. [inaudible] swear in. Do you affirm to tell  
18 the truth, the whole truth and nothing but the truth  
19 before this committee and to respond honestly to  
20 Council Member questions?

21 ASSOCIATE COMMISSIONER MARGOLIES: I do.

22 COMMITTEE COUNSEL: Thanks.

23 ASSOCIATE COMMISSIONER MARGOLIES: Sorry,  
24 Jeff Margolies, Associate Commissioner of  
25 Communications and Policy at DDC. So, as I

2 mentioned, we are about to release a new version of  
3 that blueprint which will include many of the updates  
4 that you requested. We have made progress, and I'll  
5 defer to Tom on some of the specifics on the  
6 infrastructure side, for example, but in terms of  
7 payment processing, how long it takes for a change  
8 order to go through our system, how long design  
9 takes, how long different aspects of the construction  
10 process take. So we've made a lot of internal  
11 updates, and then as we've mentioned here, there's a  
12 larger effort through the Mayor's Capital Reform  
13 Taskforce to look at the bigger picture.

14 CHAIRPERSON BROOKS-POWERS: I know you  
15 all are looking into it, but have you seen progress  
16 from this so far, and what has that looked like?

17 ASSOCIATE COMMISSIONER MARGOLIES: Sure,  
18 absolutely. Tom, if you want to--

19 DEPUTY COMMISSIONER WYNNE: So, we have  
20 had-- we've obviously had goals where we've gotten to  
21 do things such as shorten design times, get more  
22 contracts out, have our processes be more  
23 transparent, and I think we've been-- we've been good  
24 with those processes. I think we could always be  
25 better, so I'm hesitant to say, you know, we've

2 achieved it. I think we can always get better, but  
3 we definitely have been-- we've shared with both the  
4 contracting community and the consulting community,  
5 what's going on, what's coming out, and how we can be  
6 more up front with our processes so that they know  
7 what contracts are coming and if they can, you know,  
8 better prepare themselves for proposing on our  
9 contracts.

10 CHAIRPERSON BROOKS-POWERS: Does the DDC  
11 still believe it should be reconstituted as a state  
12 authority?

13 ASSOCIATE COMMISSIONER MARGOLIES: Yes,  
14 that is something we've worked on with the Mayor's  
15 Capital Reform Taskforce.

16 CHAIRPERSON BROOKS-POWERS: Is there a  
17 plan to release another blueprint in the coming  
18 years, and if so, when?

19 ASSOCIATE COMMISSIONER MARGOLIES: Yes,  
20 in a few weeks, hopefully.

21 CHAIRPERSON BROOKS-POWERS: Oh in a few  
22 weeks?

23 ASSOCIATE COMMISSIONER MARGOLIES: A few  
24 weeks. I don't have a specific date, but it's been  
25

2 written-- it's been written, so it's just being  
3 formatted right now.

4 CHAIRPERSON BROOKS-POWERS: Awesome.

5 Wanting to touch on DDC's relationship with other  
6 City agencies. First, id' like to add onto the  
7 question earlier from Chair Won in terms of the  
8 certification process, for example. And while I  
9 understand that that takes place in SBS's wheelhouse,  
10 I think we all can agree that it is a critical need  
11 for our MWBEs to be certified in order to take  
12 advantage of these contractual opportunities. So, I  
13 took from the response earlier, and correct me if I'm  
14 wrong, that there is no current coordination with SBS  
15 in terms of if there was a business that wanted to  
16 take part in a city contract that may not be  
17 certified. Is there anything in place that would  
18 kind of hold the business hand and move them along  
19 that SBS process so that they don't miss an  
20 opportunity on a contract opportunity?

21 MICHAEL GARNER: Yes, so there is  
22 coordination between the agencies at SBS. When there  
23 is a MWBE who is on the verge of getting a contract,  
24 we work with them in order to-- we refer them to SBS  
25 for them to submit their MWBE application. Now, once

2 their application has been submitted, and if that  
3 firm is pending and they have a contract or  
4 subcontract in hand, we will call SBS and ask them to  
5 expedite their certification review process.

6 CHAIRPERSON BROOKS-POWERS: So, in that  
7 instance, how long is that process?

8 MICHAEL GARNER: How long's that process?  
9 it really-- it really depends on if the submitted  
10 application has been submitted completely, and also  
11 it may require us to have a one-on-one meeting with  
12 the applicant to make sure that the firm should get  
13 certified. And so, we will circle back around with  
14 you with the average MWBE certification processing  
15 time that it's taking firms to get certified.

16 CHAIRPERSON BROOKS-POWERS: Because I'm  
17 curious in terms of if when your department holds  
18 their hand through the process, is it quicker if  
19 they-- as opposed to them going to SBS directly, and  
20 what that looks like as well?

21 MICHAEL GARNER: Even if the firm goes  
22 through SBS directly-- if a firm reaches out to us  
23 indicating that we have a contract in hand, can you  
24 help me get certified? We will then reach out to SBS

2 and ask them to please expedite that certification  
3 review.

4 CHAIRPERSON BROOKS-POWERS: And then in  
5 terms of DOT, could you briefly provide an overview  
6 of how-- and this is for DDC and DOT-- how the two  
7 sister agencies work with one another as it pertains  
8 to the infrastructure projects?

9 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

10 Yes, absolutely. I think our staffs are talking to  
11 each other on a daily basis. Tom and I with-- along  
12 with the project managers and our planning teams have  
13 biweekly meetings where we go through all the  
14 projects, troubleshoot. Sometimes we-- you know, we  
15 ask questions about status of our project. Sometimes  
16 they need something else from DOT like a permit, and  
17 we are on constant, constant communication. We want  
18 to make sure that the projects that are meant to  
19 register that year are registering that year, that we  
20 are giving them the right information in terms of  
21 scoping. We do make changes from time to time which  
22 I'm sure frustrates DDC, but it is a great  
23 relationship overall, and I think we're also-- I  
24 think Jeff mentioned the authority piece. We are in  
25 strong support of them becoming authority, because

2 that also means they get to deliver our projects  
3 faster and on a timely manner.

4 CHAIRPERSON BROOKS-POWERS: And going back  
5 to the earlier statement in terms of the marketing  
6 campaign targeting vendors through specific  
7 opportunities and being able to kind of forecast what  
8 these opportunities are, I imagine it's going to  
9 require coordination, what is that coordination going  
10 to look like to ensure that it lines up with the  
11 timeline to submit for these projects?

12 MICHAEL GARNER: Yes. Yeah, so the  
13 coordination is that we're working with SBS and with  
14 MOCS in getting copies of the agencies of procurement  
15 plans which outlines what contracts are going to be  
16 awarded over the next 12 months. And then working  
17 with SBS to create a marketing and advertising  
18 campaign to certify companies where the opportunities  
19 are going to be. Once again, no longer a shotgun  
20 approach of just certifying the firm just for the  
21 sake of being certified. Let's integrate them into  
22 procurement opportunities in some of the strategies  
23 that we have created and some of the laws that we  
24 have been fortunate to get changed and approved.

2 CHAIRPERSON BROOKS-POWERS: And how much  
3 will be put into this campaign?

4 MICHAEL GARNER: We are having those  
5 conversations right now as to what the advertising  
6 campaign would affect cost.

7 CHAIRPERSON BROOKS-POWERS: And do we  
8 think that in light of some of the budget constraints  
9 that the Administration has spoken about over the  
10 last few months will prevent the roll-out of such  
11 programs?

12 MICHAEL GARNER: We are optimistic that  
13 in a very, very short period of time the PEG will be  
14 lifted and our financial conditions will improve.

15 CHAIRPERSON BROOKS-POWERS: And how does  
16 DDC's partnership with the other infrastructure  
17 agencies help ensure procurement and project  
18 deadlines are more effectively met?

19 DEPUTY COMMISSIONER WYNNE: I'm sorry,  
20 Council Member, could you repeat the question,  
21 please?

22 CHAIRPERSON BROOKS-POWERS: Sure. How  
23 does DDC's partnership with these other  
24 infrastructure agencies aside from DOT help ensure  
25

3 procurement and project deadlines are more  
4 effectively met?

5 DEPUTY COMMISSIONER WYNNE: So, our  
6 primary sponsors in infrastructure are DOT and DEP.  
7 We do a little bit of work for Parks. But as Paul  
8 was saying, we have regular meetings both at the high  
9 level and at the project level. There's probably  
10 easily a half a dozen touchpoints between DOT and  
11 DDC. Similar to DEP, you know, there's permitting,  
12 there's technical, there's capital, and we're meeting  
13 across all those groups to ensure that the projects  
14 stay on time and on budget to the greatest extent  
15 practical.

16 CHAIRPERSON BROOKS-POWERS: thank you for  
17 that. Does DDC coordinate on its MWBE outreach and--  
18 well, no, excuse me. How does specifically DDC  
19 coordinate on its MWBE outreach and procurement with  
20 the other agencies?

21 EXECUTIVE DEPUTY COMMISSIONER AUSTIN: So,  
22 we do-- our outreach is actually quite extensive and  
23 we do it in a number of different ways. We have a  
24 project-specific outreach that we work very closely  
25 with SBS as well as OMWBE. For example, our-- some  
of our Design-Build projects, and we have the scope

2 of service that we're going to require. So it's  
3 very, very targeted in terms of the outreach that we  
4 ask SBS to do the certified MWBEs within their  
5 database. We also-- adding to that, we also reach  
6 out to MWBEs that we have done business with before,  
7 making sure that they're included in that outreach.  
8 We also participated in the SBS borough forums,  
9 making sure that we touch MWBEs there, and we also  
10 work with the Borough Presidents when asked to put on  
11 events.

12 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

13 Chair, if I may? You brought up a good point about  
14 fiscal challenges that the City has faced. However,  
15 DOT we are investing a lot of in-house resources and  
16 staff time to make sure that we do exactly that.  
17 Doing outreach events-- we just held-- and I'm going  
18 to turn it over to Carlos Bannister who heads our  
19 MWBE office. We held an event where we connected  
20 vendors, both subs and primes and just to let them  
21 know about the opportunities of doing business with  
22 DOT. So I'm going to turn it over to Carlos.

23 CARLOS BANNISTER: Yes, we've had  
24 industry days. That's how we do outreach. Like, we  
25 have one today for, like, e-bikes. We're

2 specifically focused on the various projects, and we  
3 allow MWBEs to come in also to meet prime contracts  
4 for potential subcontracting and joint ventures. We  
5 had our Doing Business with New York City DOT where  
6 we partnered with Chief Garner, DDC and other  
7 agencies where we had over 570 MWBE vendors who came  
8 to the event. Also, we have gone and changed our  
9 methodology on how we advertise our contracts. We do  
10 not just do the bare city record. We go out to 15  
11 ethnic media groups on the various areas. So, for  
12 instance, we will look-- if we have a contract in  
13 Queens, we will look for the small newspaper article,  
14 media people to advertise those projects for us.

15 CHAIRPERSON WON: I have a follow-up  
16 question. The outreach events are great. What if--  
17 what are the methods or returns for investments for  
18 these events and how are you tracking it? And what  
19 percentage of the attendees are new, first-time  
20 vendors for New York City within the MWBEs, and how  
21 many people attend per outreach?

22 EXECUTIVE DEPUTY COMMISSIONER OCHOA: I  
23 can take it. First of all, Chair Won,  
24 congratulations, and we hope that we have a Queens's  
25 cyclist very soon. So, congratulations. We track--

3 we've seen a dramatic progress in our MWBE  
4 utilization rate since this Administration and  
5 Commissioner Rodriguez took over. Just to give you a  
6 sense, in Fiscal 22 we had an 11 percent MWBE  
7 utilization rate. In Fiscal 23 we had a 24 percent  
8 MWBE utilization rate, and we are now on track in  
9 Fiscal 24 to meet the 30 percent MWBE utilization  
10 rate. We're doing a lot of things. I think one of  
11 the things that we haven't really talked about is the  
12 waivers that we sometimes get in our contracts. So  
13 what happens is we put out a bid. Let me give an  
14 example of the milling contract which is a core  
15 function of DOT. We get the bids that come with  
16 waivers to say, actually I can't meet the 30 percent  
17 MWBE goal. Well, we've denied those waivers. We're  
18 not even taking a look at them and we are requiring  
19 those 30 percent MWBE goals. So that has bumped our  
20 numbers significantly and we hope to continue doing  
21 that.

22 CHAIRPERSON WON: Could DDC also answer  
23 this question about your outreach events, your return  
24 on investment and how you're tracking metrics? How  
25 many people who attend are brand new within MWBEs,  
second time, or existing vendors?

2 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

3 Those are definitely metrics that we've caught.

4 We've been tracking for the past, I believe, since

5 2015, and you know, I don't have the percentages with

6 me today, but of the 9,400 unique vendors that we've

7 reached out to, I can tell you-- I can follow up with

8 you and tell you exactly the number who have been

9 able to get contracts with us. We can follow up with

10 you with that information.

11 CHAIRPERSON BROOKS-POWERS: Thank you.

12 Could you further-- excuse me? Could you further

13 discuss the pre-qualified list that DDC is putting

14 together for MWBEs general contractors? And a

15 follow-up question to that is what is the status of

16 this list and how many applicants have applied so

17 far?

18 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

19 Sure. So in 2019, I believe, the State Legislature

20 allowed the City the ability to create these MWBE-

21 only PQLs. So over the last couple of years, DDC has

22 worked on that, and we've established the MWBE PQL.

23 I don't know the number who have applied. I do know

24 that we have 16 MWBE vendors on our MWBE-only PQL,

25

2 and it's a rolling PQL meaning that people can  
3 continue to apply and we add them to the list.

4 CHAIRPERSON BROOKS-POWERS: Of the 16 how  
5 many are minority? How many are women?

6 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:  
7 Can I get back to you on that?

8 CHAIRPERSON BROOKS-POWERS: Okay, fi we  
9 could get that answer here, too.

10 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:  
11 Yes.

12 CHAIRPERSON BROOKS-POWERS: And also  
13 while we're on this pre-qualified list, and I know  
14 Mr. Garner in your remarks earlier you lightly  
15 touched on the migrant contracts also, and so the  
16 commuter vans are used to transport migrants, and I'd  
17 like to understand how have those who are doing that  
18 transportation work have been identified, if it was  
19 through the pre-qualified list?

20 MICHAEL GARNER: It's a combination of  
21 outreach, pre-qualified list. As recent as yesterday  
22 we asked SBS to send over a list of transportation  
23 companies for an opportunity that exists here at City  
24 Hall with transporting documents and other kind of  
25 mail at various sites. And so there's been-- there's

2 an outreach of those firms who are already certified  
3 in order to integrate them into the process.

4 CHAIRPERSON BROOKS-POWERS: And can you  
5 elaborate on what the process is, because obviously  
6 there's no RFP out on this, but there are contracts  
7 that have been awarded for transportation services by  
8 commuter vans? And can you also shed light on what  
9 commuter van companies have been secured, and if they  
10 are M and/or WBE?

11 MICHAEL GARNER: Right. So yes, so we  
12 have existing contracts. For example, the Garner  
13 Group is operating some of the migrant facilities,  
14 and under their scope there are transportation  
15 services. So the ACO [sic] at that agency will reach  
16 out to either our office or SBS, ask for a list of  
17 transportation providers, and then integrate those  
18 firms into the opportunity under that outside  
19 consultant.

20 CHAIRPERSON BROOKS-POWERS: and then their  
21 contract I would imagine is then updated to include  
22 this new service and dollar amount?

23 MICHAEL GARNER: Yes, yes.

24 CHAIRPERSON BROOKS-POWERS: and so-- and  
25 you said-- is the Garner Group?

2 MICHAEL GARNER: Yes, the Garner Group.  
3 No relation. I would not be sitting here right now.

4 CHAIRPERSON BROOKS-POWERS: And are they  
5 a M or WBE?

6 MICHAEL GARNER: No, they are not, but  
7 we're once again, we're still holding their feet to  
8 the fire for MWBE--

9 CHAIRPERSON BROOKS-POWERS: [interposing]  
10 what's the size of that contract?

11 MICHAEL GARNER: subcontracting  
12 opportunities. I'm not really sure. I can find out  
13 for you.

14 CHAIRPERSON BROOKS-POWERS: Please. And  
15 are they the only one right now that's been  
16 identified for this?

17 MICHAEL GARNER: For the--

18 CHAIRPERSON BROOKS-POWERS: [interposing]  
19 Are they the only group that's been identified in  
20 terms of transportation services for the migrants?

21 MICHAEL GARNER: I'll find that out also  
22 as well.

23 CHAIRPERSON BROOKS-POWERS: Okay. And do  
24 they have a goal that they're required to have in  
25 terms of MWBE participation?

2 MICHAEL GARNER: Goals in those contracts  
3 are 30 percent.

4 CHAIRPERSON BROOKS-POWERS: 30 percent.  
5 And is it like 20 M, 10 W, or is it 30 for MW, EW?

6 CHARLES DIAMOND: I would highlight,  
7 Chair, I think for the specific example we're talking  
8 about now, for Garner you mentioned not an RFP. If  
9 it's an emergency contract, in the technical sense--  
10 now, the Garner contract is not. It is a government  
11 to government contract. We're actually leveraging  
12 the Federal Government's purchasing power and using  
13 that. This was one of the first contracts leveraged.

14 CHAIRPERSON BROOKS-POWERS: Slow down,  
15 you going too fast.

16 CHARLES DIAMOND: Sure, I'm sorry, Chair.  
17 But for an emergency contract, that is excluded from  
18 Local Law One. So, this bill that the Council passed  
19 6129, that emergency contract is not part of Local  
20 Law One. So it won't be able to utilize the power of  
21 Local Law One, but it won't be constrained. I think  
22 what chief Garner-- it's a really important point.  
23 We focus on Local Law One because that's what we're  
24 commanded to do, it what's we're enabled to do, but  
25 even if it's not within that bucket, we're still

2 maximizing equity. So with the asylum response,  
3 we're not able to put it right into the same bucket  
4 as Local Law, but we are able to do other things to  
5 encourage equity. As Chief Garner says, he's there  
6 meeting with these ECO's [sic] saying what can we do  
7 here? How can I connect you with the right list?  
8 How can I make sure they're doing-- and we're seeing  
9 those results? So, to [inaudible] it will be  
10 different merely because of the fact that it's an  
11 emergency, but it's all interwoven.

12 CHAIRPERSON BROOKS-POWERS: And so the  
13 Garner Group right now is operating under an  
14 emergency contract?

15 CHARLES DIAMOND: I believe that's  
16 actually a government-to-government contract through  
17 DCAS. I was going to say, I can certainly get back  
18 to you, but I know that's what we testified to.

19 CHAIRPERSON BROOKS-POWERS: So, if it's  
20 government-to-government it does fall under Local Law  
21 requirement-- Local Law One requirements?

22 CHARLES DIAMOND: Actually, I don't  
23 believe government-to-government do. Again, because  
24 the idea is that the vendor is not necessarily going  
25 to be doing it.

2 CHAIRPERSON BROOKS-POWERS: And why would  
3 it be a government-to-government contract with this  
4 entity?

5 CHARLES DIAMOND: Excuse me,  
6 intergovernmental contract. So, we're piggy-backing  
7 off of a federal GSA schedule. So, that was that--

8 CHAIRPERSON BROOKS-POWERS: [interposing]  
9 Piggy-backing off of a?

10 CHARLES DIAMOND: Federal GSA, General  
11 Services Administration contract. So that is-- I  
12 know DCAS has testified to that, and NYSNA has  
13 testified to that in pervious emergency hearings.  
14 That was one of the first contracts that was utilized  
15 to address the emergency response.

16 CHAIRPERSON BROOKS-POWERS: And then how  
17 was the Garner group selected? Are they the only  
18 ones? Well, I guess you're confirming they are the  
19 only ones. But in the event that they are the only  
20 ones, like the only ones that has this contract in  
21 the space of these GSA contracts, are they the only  
22 one that exists that could have been selected, and  
23 how were they selected?

24 CHARLES DIAMOND: I can certainly get  
25 back on how DCAS actually did their selection. I

2 know that they've testified to this previously, so I  
3 would defer to their previous testimony on that  
4 contract.

5 CHAIRPERSON BROOKS-POWERS: Where is the  
6 Garner Group based out of?

7 CHARLES DIAMOND: I do not know.

8 CHAIRPERSON BROOKS-POWERS: Can we get  
9 that also, that information?

10 CHAIRPERSON WON: I'm pretty sure the--  
11 when we had the last contract migrant asylum-seeker  
12 hearing, it is an out-of-state entity.

13 CHARLES DIAMOND: I believe so. It is a  
14 very large organization off of the GSA.

15 CHAIRPERSON WON: From Texas or  
16 something?

17 CHARLES DIAMOND: I believe you may be  
18 thinking of SLS, perhaps Chair Won. But again, I  
19 think we're all speculating. So I think we can  
20 certainly get back to you with details.

21 CHAIRPERSON BROOKS-POWERS: If we could  
22 get some of these answers while we're in the hearing  
23 and you guys are under oath, that'd be great, because  
24 I'm very curious about this, because I know we have  
25 New York Base commuter vans that are MBEs that have

2 not been contracted, but they have been contacted to  
3 become subs potentially with I guess, I'm assuming  
4 it's the Garner Group. But my question is why is the  
5 City not directly contracting New York-based minority  
6 businesses? Why is that money even going to Texas  
7 who's sending us migrants here in New York City,  
8 quite honestly, to be able to get these dollars? So  
9 I really want to understand that. I have tons more  
10 questions. I'm going to pause, because Council  
11 Member Rivera has some questions.

12 COUNCIL MEMBER RIVERA: Yes, I had a  
13 question. I know that when you raise the threshold  
14 for contracts, that typically comes from the state.  
15 But I did have a question as to-- you raise the  
16 threshold. The threshold was raised for New York  
17 City agencies discretionary contracts to one million  
18 dollars within the last two years. Then further-- it  
19 was further raised late last year to \$1.5 million.  
20 How many million dollar contracts went to MWBEs  
21 before the threshold was further raised?

22 CHARLES DIAMOND: So, Council Member  
23 Rivera, I would say that we saw a record year in  
24 Fiscal 23, \$177 million dollars' worth of contracts  
25 that went through AM72. So that would have been

3 before the 1.5, during that one million. In terms of  
4 the breakdown specifically, we're certainly seeing a  
5 lag. The majority of the contracts are going to be  
6 in the 500 and every time we do increase it-- we were  
7 discussing earlier, it was only three years ago that  
8 it was 150,000 which is really-- I mean, compare that  
9 to 1.5 million. So we are certainly seeing there's  
10 always going to be lag in terms of registered  
11 contracts versus solicitations, takes some time. So  
12 something that we're very interested in. I'd be happy  
13 to share with you the detailed breakdown of what  
14 happened before then, but it's certainly a key goal  
15 every time we raise that increase, we need to be  
16 pushing agencies to really, really capture it. It's  
17 something that we talk about all the time, and  
18 something that we encourage our agencies to do. So  
19 definitely lags, I think for understandable reasons.  
20 But that's the key point as Chief Garner and our  
21 agencies have discussed, getting those higher dollar  
22 prime contracts is crucial and huge. And so being  
23 able to go up to 1.5, we're going to fight for every  
24 ounce of authority we can get, and we're going to  
25 push our agencies to use every ounce of authority  
they can get.

2 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

3 Hey, Council Member. Good to see you. If I may,  
4 from the DOT perspective, I think Charles is  
5 absolutely right. We actually-- every time the  
6 number increases, that just means we have larger  
7 contracts to give out. So let me give you two  
8 examples. The council passed a bill that requires  
9 DOT to create a buy-back program from e-bikes. So,  
10 the bill passed right around when the threshold was  
11 going to be increased. Original program was going to  
12 be a million dollars, because we wanted to use a MWBE  
13 vendor. When the governor signed the increase to 1.5  
14 million dollars, so then we just upped that number to  
15 1.5. And it's not just increasing our MWBE  
16 utilization, it's actually a faster procurement, too.  
17 So it's sort of a win/win for agencies. And we do  
18 that too with some of our purchasing for laptops, for  
19 example, or computers. We usually max out the  
20 threshold of whatever the limit is, because it's  
21 faster and it also accomplishes our MWBE goals.

22 COUNCIL MEMBER RIVERA: So, just-- I just  
23 wanted to ask the breakdown you're going to get are  
24 actual numbers? Because I realized lags-- you're  
25 trying to keep up and you're trying to increase the

2 number and we appreciate those efforts, we're just  
3 curious as to where the numbers stand right now.

4 CHARLES DIAMOND: Yeah, I can certainly  
5 follow up if you want a specific breakdown of  
6 brackets within that method before it went to 1.5, is  
7 that correct, Council Member? Certainly.

8 COUNCIL MEMBER RIVERA: Okay.

9 CHARLES DIAMOND: I can get that for you.  
10 It should be publicly available, but I'll have it be  
11 collated and hopefully get an answer for you as soon  
12 as I can.

13 COUNCIL MEMBER RIVERA: Okay. Thank you.  
14 Thank you, Madam Chairs.

15 CHAIRPERSON BROOKS-POWERS: Thank you.  
16 Adding onto Council Member Rivera, how many contracts  
17 are in the 1.5 million dollar range? Do you know?

18 CHARLES DIAMOND: As a total subset of  
19 city contracts, 1.5? I can review our data and get  
20 back to you very quickly. I have it here, I'll just  
21 have to collate that. So all contracts under 1.5?

22 CHAIRPERSON BROOKS-POWERS: Yeah, how  
23 many are in that range.

24 CHARLES DIAMOND: Okay.

2 CHAIRPERSON BROOKS-POWERS: Yeah, because  
3 this year--

4 CHARLES DIAMOND: [interposing] I can  
5 certainly get that information for you. Let me try  
6 and get that right now.

7 CHAIRPERSON BROOKS-POWERS: Staying in the  
8 line of pre-qual [sic]. What kind of outreach does  
9 DDC engage in to reach MWBEs and inform them that  
10 these programs, like pre-qualified lists and  
11 mentoring program exists?

12 EXECUTIVE DEPUTY COMMISSIONER AUSTIN: In  
13 terms of the pre-qualify, the PQL, we do quarterly  
14 information sessions for MWBE construction firms,  
15 because the PQL is focused on construction. So we do  
16 quarterly information system sessions, and then we  
17 also work with SBS to provide assistance to those  
18 firms who are interested in applying in completing  
19 the application. So that's on a quarterly basis.

20 CHAIRPERSON BROOKS-POWERS: How often are  
21 the pre-qualified lists on average utilized?

22 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:  
23 Any time-- so the way that it works is that any time  
24 we have a project that's valued under three million,

25

2 a construction project valued under three million  
3 dollars, it should go to that list.

4 CHAIRPERSON BROOKS-POWERS: One finding  
5 of the Comptroller's report is that agencies  
6 including DDC are not making full use of the non-  
7 competitive small purchase methods to engage MWBEs.  
8 In terms of DOT specifically, I want to acknowledge  
9 that the Comptroller reported that DOT registered  
10 significantly more NCSP contracts in Fiscal Year 23  
11 compared to 22, and hope that they continue the  
12 improvement. But the average contract value remains  
13 low among infrastructure agencies despite increases  
14 in the maximum contract value permitted. What is the  
15 average contract value that DDC registered using this  
16 method in Fiscal Year 23?

17 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

18 We'll get that information for you, but I could tell  
19 you that as far as DDC's concerned, the one million  
20 dollar threshold was challenging because the value of  
21 our contracts tend to be very large. So, even for  
22 the mentor program what we found ourselves doing was  
23 de-bundling the projects so that we can specifically  
24 use some certain scopes of service for the mentor  
25 program. The one-- the increase to the 1.5 is

2 actually very significant for DDC, because one of the  
3 things that we realized is that at \$1.5 million  
4 dollars we can use the non-competitive small purchase  
5 for our design services, because there are a number  
6 of design contracts that would be valued at \$1.5 or  
7 below. So that's the plan that we have. So it does  
8 make a difference for us, the increase from \$1  
9 million to \$1.5 million. And we'll get you the  
10 information about the average size.

11 CHAIRPERSON BROOKS-POWERS: And for DOT,  
12 what is the average contract value DOT registered  
13 using the NCSP method in 23?

14 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
15 Yeah, it's 800,000 Council Member, and we expect that  
16 number to go up, because the \$1.5 million dollar  
17 threshold was just implemented. I would say, though,  
18 it is slightly easier for an agency like DOT to use  
19 that amount, because we also have expense contracts  
20 as opposed to DDC that only has capital, and as  
21 Maggie said, capital projects tend to be larger. So  
22 we are taking full advantage of that. But I do want  
23 to acknowledge, sort of, the challenge that capital  
24 agents-- purely capital agency like DDC will have.

2 MICHAEL GARNER: And so far for Fiscal  
3 Year 24 in this method we spent \$10 million dollars.

4 CHARLES DIAMOND: If I could to wrap up  
5 on the non-competitive small purchase, Council Member  
6 Rivera, to answer your question, there are 887 non-  
7 competitive small purchases below \$1 million dollars  
8 leading up to that change in the law. So, 887  
9 individual AM72 procurements, as I call them, in  
10 Fiscal Year 23 below \$1 million dollars.

11 COUNCIL MEMBER RIVERA: And may just add,  
12 because I have the Comptroller's report from earlier  
13 this month, and so he has-- today [inaudible]. It  
14 feels like February 32<sup>nd</sup>, but-- and so there are  
15 numbers here and so I'm just curious as to how those  
16 match up, so thank you for that. The breakdown will  
17 be welcomed.

18 CHAIRPERSON BROOKS-POWERS: Does the DDC  
19 keep track of diversity within diversity metrics to  
20 ensure that our City's MWBEs program reflects the  
21 diversity of the City's entrepreneur community, and  
22 how does the DDC plan to improve the situation where  
23 the bulk of MWBE contract value goes to a few  
24 minority groups while women of color and Black and  
25 Brown business owners seem to be left behind?

2 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:

3 So, I want to share that DDC's really proud. We were  
4 the first city agency to disaggregate goals. We've  
5 been disaggregating goals, I believe, for the last  
6 seven years to target that specific what we call the  
7 disparity within the disparity, and the way that we  
8 address it is to make sure that we are setting goals  
9 for African-American and Latin-x vendors. That's the  
10 way that we target it to make sure that we are  
11 addressing that, and we-- it's something that we  
12 monitor. Anytime that we get-- on a quarterly basis  
13 we get our data from MOCS and one of the first things  
14 that we do is we disaggregate it for use based on  
15 ethnicity and gender and race so that we can address  
16 the utilization gaps.

17 CHAIRPERSON BROOKS-POWERS: Thank you for  
18 that. And as we talk about diversity in diversity  
19 and we talk about Black and Brown, I understand that  
20 there's also a disparity within the Asian category as  
21 well. Has DDC begun to drill into that, also?

22 EXECUTIVE DEPUTY COMMISSIONER AUSTIN: So,  
23 those are conversations that we've been having. I  
24 think it's much more complicated because the-- for  
25 lack of a better word, the category is Asian. So

2 it's really hard to discern the differences in terms  
3 of the vendor ethnicity. And it's conversations that  
4 we've-- I mean, personally I've been having with SBS  
5 for the last few years, and it's something that we  
6 are trying to figure out how to handle.

7 CHAIRPERSON BROOKS-POWERS: And in  
8 particular DOT, does DOT keep track of diversity  
9 within diversity metrics, and is there a plan to have  
10 better outreach to the under-represented categories?

11 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
12 Yeah, the short answer is yes. Commissioner  
13 Rodriguez's top priority at DOT has been increasing  
14 the number of MWBE participation among our contracts,  
15 and that same issues that you're referencing, Council  
16 Member, is a key part of our work. Just-- we have  
17 seen trending in the right direction. Just fiscal  
18 year to-date we've seen utilization of about 22  
19 percent total, which we expect to go up to 30, and  
20 among that about 20 percent has gone to Black-owned  
21 vendors, 30 percent to Hispanic, 20 percent to women,  
22 and 30 percent to Asians. So we are seeing sort of  
23 an equal amount for these types of contracts year-to-  
24 date.

2 CHAIRPERSON BROOKS-POWERS: Mr. Garner,  
3 according to the citywide disparity study, there are  
4 significant gaps in MWBE utilization on city  
5 contracts compared to availability. What from your  
6 perspective and your experience explains these  
7 continuing disparities?

8 MICHAEL GARNER: I think Maggie indicated  
9 that they were the first agency to assign  
10 disaggregated goals, and so we are monitoring  
11 agencies now to include those disparate groups  
12 including Black, Hispanic, and Asian women in their  
13 outreach and in their focus on awarding contracts.  
14 And so once again, we are having weekly CompStat-type  
15 meetings. That's certainly one of the topics of the  
16 agenda, and certainly having those weekly asylum  
17 meetings where we're asking agencies, those six  
18 agencies that's buying services, what's-- how many  
19 contracts were awarded last week? How many of those  
20 contracts were awarded to Black, Hispanic, and Asian  
21 businesses? What's in your pipeline?

22 CHAIRPERSON BROOKS-POWERS: But what do  
23 you feel is like contributing or like continuing the  
24 disparities that we're seeing. What are the  
25 contributing factors, because I'd like to understand

2 it to see how we better address it? I hear the work  
3 that you all are doing, but what are the underlying  
4 causes?

5 MICHAEL GARNER: Well, in construction  
6 there's always going to be access to capital, access  
7 to surety bonding, and the lack of opportunities  
8 which these diverse firms can bid on. Certainly,  
9 working as a subcontractor is a good business for  
10 some. I believe that the new paradigm is debundling  
11 projects, actively going out and recruiting those  
12 Black, Hispanic and Asian firms, equipping them with  
13 access to capital, access to surety bonding, and  
14 having them bid directly as prime contractors and  
15 consultants so they can be in control of their own  
16 destiny and not simply relying on working as a  
17 subcontractor.

18 CHAIRPERSON BROOKS-POWERS: And I agree  
19 with you and appreciate hearing that. And when we  
20 talk about the access to capital and bonding in  
21 particular, that's something that's been a  
22 longstanding issue, and even in terms of some of like  
23 the banking practices in terms of whether or not  
24 they'll approve the access to capital, and if they  
25 do, what those rates look like versus a larger non-

3 minority business were to approach the same  
4 institution. So what is the City doing, or what does  
5 the city think that the Council can do to support  
6 addressing this issue to be able to address that?

7 MICHAEL GARNER: Right, so it is my  
8 understanding that SBS have numerous access to  
9 capital programs and funding that they will have  
10 those banking institutions and CDFIs to award-- not  
11 award, but to grant access to capital to those  
12 companies. So, within the SBS sphere there are  
13 programs for access to capital.

14 CHAIRPERSON BROOKS-POWERS: Right, and I'm  
15 hearing even with some of the CDFIs which are great  
16 and sometimes the only, like, silver lining for some  
17 of these firms don't provide enough capital. So, for  
18 example, while not a city project but on city land  
19 you have the JFK redevelopment, a multi-billion-  
20 dollar infrastructure program, wanting to see how we  
21 create a path or pipeline for these businesses to  
22 play in that space, but then at the same time we  
23 have, you know, tens of construction projects in the  
24 pipeline through DDC and other agencies as well that  
25 require, you know, higher access to capital,  
insurance and what have you. So is there any effort

2 or plan for the Administration to increase what is  
3 available now?

4 MICHAEL GARNER: Certainly, there was  
5 those conversations, with respect to access to  
6 capital, are going on and continuing and bringing more  
7 banking institutions into the fold to issue cost-  
8 effective access to capital. I just mentioned the  
9 OCIP the state law that we got passed, Owners  
10 Controlled Insurance Programming, that's going to  
11 allow the City now to offer more cost-effective  
12 construction insurance to our MWBE firms, and  
13 certainly, access to surety bonding. It's one thing  
14 to talk about for training contractors to become  
15 vulnerable. It's a different thing in bringing a  
16 consultant in that will actually access them with  
17 surety bonding, and that's where we're focusing on  
18 now under this umbrella of OCIP, the cost-effective  
19 insurance.

20 CHAIRPERSON BROOKS-POWERS: and in terms  
21 of the capital, is there a way, like, that the city  
22 or the prime could be required to give like a letter  
23 of intent where the business could then go to like a  
24 regular bank and say I've been selected for this  
25

2 contract to be able to get that access that way, as  
3 well?

4 MICHAEL GARNER: Certainly, there are  
5 letters from the agency that once they are awarded a  
6 contract, a contract can hand-- they can use that.  
7 And on the sub level, there's a subcontract agreement  
8 which outlines their subcontract. They can certainly  
9 use that also as well. You know, I just think that  
10 we need to bridge the gap on historical barriers to  
11 entry with access to capital. And there are  
12 successful programs at the SCA and at the MTA where  
13 we were able to in fact do that. I'm optimistic in  
14 having conversations and input from the City Council  
15 and others that we can work with SBS in creating  
16 viable solutions that will eradicate the barriers,  
17 barriers to entry, and the lack of access to capital.

18 CHAIRPERSON BROOKS-POWERS: I would love  
19 to be a part of those conversations, and if there's  
20 like a working group around that, to be a part of  
21 that also.

22 MICHAEL GARNER: Okay. According to the  
23 Comptroller's most recent annual report on MWBE  
24 procurement which was published today, MWBEs continue  
25 to win a small share of city contracts even relative

3 to the smaller number of MWBEs compared to non-  
4 certified firms. In Fiscal Year 2023, MWBEs  
5 accounted for only 5.3 percent of the value of all  
6 new city contracts and purchase orders, and 9.8  
7 percent of city contracts and purchase orders subject  
8 to MWBE participation goals under Local Law 174.  
9 Recent MWBE data indicates that even as the City's  
10 MWBE utilization inches upward, the number of  
11 contracts and contract value are skewed very hard  
12 against women of color and Black and Brown business  
13 owners. How do we improve the pipeline to bolster  
14 the diversity within diversity based on comptroller's  
15 assessment?

16 CHARLES DIAMOND: Absolutely. So in  
17 terms of the Comptroller's report, which is you said  
18 I believe it was released today. I'm not sure at 10  
19 or at 11. Obviously, none of us here on the panel  
20 have had a chance to read that. However, we were  
21 able to get a preview from the Comptroller's office  
22 of some of their top line findings a couple weeks  
23 ago, and to be clear, we disagree. We disagree with  
24 their data findings. We don't know their  
25 methodology, and I'm personally very curious to see  
26 how they got there. So we disagree with their

2 findings. We disagree with their data. what is  
3 clear is that by Local Law One metrics, which is  
4 what's been designated that we have to follow for  
5 MWBE program, that number's up five percent Fiscal  
6 Year 22 to 23. The disparity within the disparity  
7 numbers are trending upwards in a positive sense.  
8 What we're seeing in terms of MWBE utilization, we're  
9 seeing everything trending upwards. Although I'm  
10 interested and certainly appreciate their analysis,  
11 we also are curious about the difference between  
12 those numbers. Crucially, again, we look at two  
13 numbers, Local Law One which both enables and  
14 constrains us. that's a number that is-- has  
15 specific inclusions and exclusions, and then One NYC  
16 which allows us to be more holistic about everything  
17 the City is doing, but we must be very rigorous in  
18 those numbers. By both of those metrics we're seeing  
19 huge success, with the disparity within disparity  
20 we're seeing success, and when we say even outside of  
21 Local Law One in that area, emergency contracts and  
22 the like, we're seeing success. So we look forward  
23 to responding to it further, and look forward to  
24 reviewing their underlying data.

2 CHAIRPERSON BROOKS-POWERS: And so DOT  
3 would like to follow up on two projects since we have  
4 you hear under oath. The first one is about the  
5 Queensboro Bridge Bike Path--

6 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
7 [interposing] Yes.

8 CHAIRPERSON BROOKS-POWERS: what is the  
9 status of that?

10 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
11 Thank you, Chair, for that question. Our timeline  
12 remains the same. I believe when our First Deputy  
13 Commissioner testified we said the pedestrian access  
14 was going to be open this summer. I believe our  
15 teams are scheduling a meeting with our Community  
16 Board in Council Member Won's office to give you the  
17 plan, but that is still-- the timeline still remains  
18 the same.

19 COUNCIL MEMBER RIVERA: The timeline  
20 doesn't remain the same because the initial timeline  
21 that you gave was years ago, and the Mayor's Office  
22 had received a commitment from DOT to put the fence  
23 up for the south outer roadway for the pedestrians in  
24 August of last year, which you did not meet.

2 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

3 Understood.

4 COUNCIL MEMBER RIVERA: So, when is the  
5 date that you're going to be coming to the Community  
6 Board?

7 EXECUTIVE DEPUTY COMMISSIONER OCHOA: I  
8 believe this spring. Yeah, this spring.

9 COUNCIL MEMBER RIVERA: so you don't  
10 expect any further delays for the construction of the  
11 south outer roadway?

12 EXECUTIVE DEPUTY COMMISSIONER OCHOA: No.  
13 And no, not that I'm aware. The-- yeah, it'll be  
14 this spring, and we'll coordinate with your office to  
15 make sure that obviously if the date works for you  
16 and the relevant stakeholders.

17 CHAIRPERSON BROOKS-POWERS: And if there  
18 is going to be another delay, I'd like to have a  
19 commitment today that you will notify Council Member  
20 Won--

21 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
22 [interposing] Of course.

23 CHAIRPERSON BROOKS-POWERS: and our  
24 Committee staff with a full explanation of why.

2 EXECUTIVE DEPUTY COMMISSIONER OCHOA: Of  
3 course.

4 CHAIRPERSON BROOKS-POWERS: Because this  
5 project continues to be pushed out, and you know,  
6 construction costs unfortunately don't go down for  
7 the most part. They go up, and so we want to make  
8 sure that this is completed and the commitment is  
9 fulfilled to that community.

10 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
11 Understood.

12 CHAIRPERSON BROOKS-POWERS: Next, I just  
13 want to check in on my own project, Bays Water  
14 Project for the 31<sup>st</sup> Council District. And I  
15 understand-- I would like to understand both how DDC  
16 works with other agencies and how MWBEs are engaged  
17 in a project like this. There's a pedestrian  
18 improvement project DOT is undertaking adjacent to  
19 Bays Water Park and building in conjunction with DDC.  
20 So, can DDC and DOT walk me through their partnership  
21 on this project and what it looks like? What has the  
22 process of community engagement been, and is there  
23 planned community engagement for the future, and how  
24 do these agencies coordinate to ensure engagement of  
25

2 MWBEs in the contracting process, particularly local  
3 ones now that we see there's out of state ones?

4 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

5 Sure.

6 CHAIRPERSON BROOKS-POWERS: Particularly

7 local.

8 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

9 Yeah, I'll speak in generality, because I don't know  
10 the specifics of this project, Council Member. But  
11 typically, we design the scope and then DDC takes  
12 over the project. They are usually the ones who do  
13 the community engagement and we sometimes go with  
14 them to Community Boards to present plans and answer  
15 questions, but the outreach project is done by DDC  
16 with our support. Jeff, I don't know if you want to  
17 add anything else?

18 ASSOCIATE COMMISSIONER MARGOLIES: No,

19 that is certainly correct. You know, DOT sometimes  
20 goes ahead to talk about the design, and then once  
21 DDC comes on board we also follow-up and as Paul  
22 noted, if there's collaboration necessary, we do that  
23 as well. But we can get back to you on some of the  
24 specifics on this project and the questions you had  
25 about MWBE engagement.

2 CHAIRPERSON BROOKS-POWERS: Do you now  
3 know them today?

4 ASSOCIATE COMMISSIONER MARGOLIES: Not  
5 off the top, no we don't.

6 CHAIRPERSON BROOKS-POWERS: Have any  
7 MWBEs been engaged thus far for that?

8 ASSOCIATE COMMISSIONER MARGOLIES: I'm  
9 not sure, but we're happy to follow up.

10 CHAIRPERSON BROOKS-POWERS: We're in the  
11 design phase now.

12 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
13 The-- typically, the MWBE participation for project  
14 is on the-- if it's a construction project will be on  
15 the DDC side of the ledger, so they'll follow up with  
16 you afterwards.

17 CHAIRPERSON BROOKS-POWERS: Just to make  
18 sure I'm understanding this clearly. So for this  
19 phase one of project, is-- where are we right now?  
20 We're in design.

21 ASSOCIATE COMMISSIONER MARGOLIES:  
22 Council Member, do you happen to know the ID?

23 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
24 Yeah.

25

2 ASSOCIATE COMMISSIONER MARGOLIES: That's  
3 how we think, in ID.

4 CHAIRPERSON BROOKS-POWERS: The ID, no--

5 ASSOCIATE COMMISSIONER MARGOLIES:  
6 [interposing] Project IDs.

7 CHAIRPERSON BROOKS-POWERS: I don't, but  
8 it's right across from Bays Water Park off of Beach  
9 Channel. I did get a briefing like last year on it  
10 once, and then I haven't heard anything else.

11 EXECUTIVE DEPUTY COMMISSIONER OCHOA: One  
12 second.

13 CHAIRPERSON BROOKS-POWERS: Okay. While  
14 you get that, Mr. Garner, I just want to ask you, do  
15 you have any thoughts on Introduction Number 23, the  
16 bill that I'm sponsoring that I mentioned in my  
17 opening remarks.

18 MICHAEL GARNER: That's-- that will allow  
19 the City Comptroller to audit on an annual basis the  
20 City's MWBE program?

21 CHAIRPERSON BROOKS-POWERS: Uh-hm.

22 MICHAEL GARNER: I'll say that we look  
23 forward to working with City Comptroller Brad Lander.  
24 I believe that we share the same goal of maximizing

25

2 MWBE outcomes. So we're not fearful of audits or  
3 reviews.

4 CHAIRPERSON BROOKS-POWERS: Thank you.

5 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

6 Council Member-- sorry, Chair. The project is  
7 HWQ1204, and I can't believe you did not remember  
8 that. It's-- that project is in scoping which means  
9 it's within DOT. We expect to send it to DOT for the  
10 actual preliminary design procurement and the rest of  
11 the construction this Fiscal Year.

12 CHAIRPERSON BROOKS-POWERS: Wait, so what  
13 is the scoping? What does that entail?

14 EXECUTIVE DEPUTY COMMISSIONER OCHOA: It  
15 means-- it's sort of the creation of the idea. It's  
16 when our planners sort of do the preliminaries or  
17 geometric designs.

18 CHAIRPERSON BROOKS-POWERS: All internal  
19 no contracting?

20 EXECUTIVE DEPUTY COMMISSIONER OCHOA: All  
21 internal, exactly.

22 CHAIRPERSON BROOKS-POWERS: Okay. And  
23 then when will it kick over to DDC?

24 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
25 This Fiscal Year. So.--

2 CHAIRPERSON BROOKS-POWERS: [interposing]

3 So, before--

4 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

5 [interposing] I'll try to give you a better estimated  
6 timeline, but I have that it will be sent. The way  
7 it works is we send a CPI document, so it's a package  
8 of what we think the project will be, and then they  
9 take it for the procurement and design and then  
10 construction.

11 CHAIRPERSON BROOKS-POWERS: And DDC, can I  
12 get a commitment that we can do an outreach event  
13 specifically for that project locally?

14 DEPUTY COMMISSIONER WYNNE: So, I mean,  
15 we're happy to commit. In terms of the project  
16 timeline, though, you know-- so we'll get the scope  
17 form Dot. It'll go to our front end planning group.  
18 They will fact-check it for schedule budget and  
19 constructability. We'll then coordinate with DOT to  
20 finalize the CP. Once that is finalized, then we  
21 will be able to start the design process, and then  
22 we'll procure a consultant and we'll get the design.  
23 Probably takes-- usually they take about a year, and  
24 then we would start procuring the contract for  
25 construction.

2 CHAIRPERSON BROOKS-POWERS: Two last  
3 project questions. The Far Rockaway Library and the  
4 116<sup>th</sup> Precinct, where are we on those?

5 ASSOCIATE COMMISSIONER MARGOLIES: Yes,  
6 I'll start with the 116<sup>th</sup>. I think the Commissioner  
7 had updated you when we saw you a few weeks ago.

8 CHAIRPERSON BROOKS-POWERS: Can you talk-  
9 - I'm sorry, I'm having a hard time hearing you.

10 ASSOCIATE COMMISSIONER MARGOLIES: sorry.  
11 I think the Commissioner updated you on the 116<sup>th</sup>  
12 when we spoke to you a few weeks ago. So the  
13 contract work for DDC will be done this spring,  
14 towards the end of this spring, and then we work  
15 simultaneously with the PD for their fit-out. So we  
16 expect the precinct to open towards the end of this  
17 summer, so summer of 2024. In terms of Far Rockaway  
18 Library, I know Queens Public Library has reached out  
19 to your office and the other electeds to set up a  
20 meeting to discuss that timeline. Essentially, we  
21 finished the contract work. There is some change-  
22 order work that we're working on with PQL currently,  
23 and then they start their fit-out process. So, I  
24 don't have the exact date for you.

2 CHAIRPERSON BROOKS-POWERS: So, I  
3 understand that the public library has requested DDC  
4 do some additional work. Has DDC agreed to it, and  
5 if so, what is that new timeline?

6 ASSOCIATE COMMISSIONER MARGOLIES: Sure.  
7 So, yes, we have agreed. We've had a lot of  
8 conversations with them, and we understand the need  
9 to do that with. So we're in the process of getting  
10 that money to change over. So we're getting that  
11 money registered with the Comptroller, and once that  
12 money is in place, we can proceed with the work. So  
13 we actually-- I believe we actually may have already  
14 started already, but I can confirm with you.

15 CHAIRPERSON BROOKS-POWERS: So, do you  
16 have enough money to complete this?

17 ASSOCIATE COMMISSIONER MARGOLIES: Sorry,  
18 the money is there. We just have to go through the  
19 procurement process to make sure the funds are  
20 registered so we can start paying that vendor. So  
21 that process is ongoing, and we're collaborating with  
22 QPL.

23 CHAIRPERSON BROOKS-POWERS: Vendor, so  
24 you have a vendor already that will do this work?

25

2 ASSOCIATE COMMISSIONER MARGOLIES:

3 Correct, it's one of the existing vendors that's  
4 already on site.

5 CHAIRPERSON BROOKS-POWERS: So, there's  
6 vendors already on-site, so we're just doing a change  
7 order for their work that they're being-- that  
8 they're going to do which will speed it up. So, does  
9 DDC have an estimated timeline for this phase now?

10 ASSOCIATE COMMISSIONER MARGOLIES: We  
11 should be done with that work in the next few months,  
12 but I can confirm with you with the team.

13 CHAIRPERSON BROOKS-POWERS: So, do we  
14 think that at that point that the library will be  
15 open by summer 24?

16 ASSOCIATE COMMISSIONER MARGOLIES: I'd  
17 have to defer to QPL. They handle their fit-out  
18 process through their own vendors, so there's a  
19 collaboration, obviously.

20 CHAIRPERSON BROOKS-POWERS: Aren't you  
21 doing the fit-out process now for them?

22 ASSOCIATE COMMISSIONER MARGOLIES: We are  
23 not. They have their own process. For example, when  
24 they bring the books in, they scan them, put them on

25

2 the shelves, bring in their own computers. Sometimes  
3 there's a bifurcation of those.

4 CHAIRPERSON BROOKS-POWERS: Move in part.

5 ASSOCIATE COMMISSIONER MARGOLIES: The  
6 move-in part, yes. The actual library visit-- what  
7 people go to a library for is handled by the library  
8 itself.

9 CHAIRPERSON BROOKS-POWERS: Thank you.

10 CHAIRPERSON WON: while we're taking  
11 about these existing projects, I have one project ID  
12 HWQ788, HWQ788. This was heard in my Community Board  
13 in 2016, May 3<sup>rd</sup>, Transportation Committee, for the  
14 Long Island City Hunter's Point Area wide  
15 reconstruction. There was supposed to be road repair  
16 construction on Jackson Avenue. It's-- construction  
17 still has not started. Can you give me a status of  
18 what is happening and why is not started? Because  
19 constituents are extremely frustrated.

20 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

21 Yes, Council Member, that project was originally--  
22 that project came about when Amazon-- when the Amazon  
23 headquarter conversations were starting. There were  
24 some conflicts with BQX as well. Both of those--  
25 let's call them issues-- have bene sort of resolved

2 or at least put aside for a second. So I do  
3 understand the conversation. It is an area that we  
4 want to invest in. There's a lot of things going on  
5 in Long Island City that require either street  
6 reconstruction, street redesigns. So I don't have a  
7 full update on the project just yet, but we do have  
8 funding for a lot of that work that needs to be done.

9 CHAIRPERSON WON: When are you going to  
10 have an update? Because we've been requesting this  
11 status update for the last two years since I've been  
12 in office. This is from 2016.

13 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
14 Yes, I don't have an update for you. One second.  
15 Okay, so it's not the full project, but there's a  
16 subset of that project in Court Square there are some  
17 pedestrian improvements that are in preliminary  
18 design, and we expect the contract to be registered  
19 in the spring of next year, spring of 2025, and it's  
20 about a \$17 million dollar project around Court  
21 Square.

22 CHAIRPERSON WON: Okay, but can you do at  
23 least the basic repairs? Because we can't wait years  
24 and years and years. Now it's going to be like a  
25 decade before the repairs are even made. The

2 project's supposed to include traffic calming, such  
3 as speed bumps, raised crossings, slow zones,  
4 sidewalk extensions. In addition to the total  
5 reconstruction of the street extending from Fifth  
6 Street to 44<sup>th</sup> Drive to Jackson and Borden [sic]  
7 Avenue, but the basic repairs have to be made.  
8 You're making people wait more than five years for  
9 basic repairs now.

10 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

11 Understood. Let me talk to the team. Maybe there's  
12 some like interim repairs that we can do. we don't  
13 usually go and repave streets, for example, that  
14 require reconstruction, because the asphalt is not  
15 meant-- will not withstand sort of the underneath or  
16 underlying issues, but let me see if there are things  
17 that we can do in the interim while the capital  
18 project moves forward. You're right, but it will  
19 take years for the capital project to move forward.  
20 So--

21 CHAIRPERSON WON: [interposing] Who is the  
22 best point of contact for us to follow up on your  
23 team with?

24 EXECUTIVE DEPUTY COMMISSIONER OCHOA: You  
25 can follow through my office, and then I'll get the

2 right folks involved. It'll be a combination of the  
3 Traffic Planning Team and the Capital Construction  
4 Team.

5 CHAIRPERSON WON: Okay, and just to wrap  
6 up-- we're going to wrap up this hearing, but I want  
7 to go back to the disparity report. We're very, very  
8 happy to hear that you have a contractor-- you have a  
9 contract with CUNY, and we're expecting in November.  
10 Has your office conducted any interim analysis on  
11 more recent contract data to track how MWBE  
12 utilization rates have changed since 2015 when the  
13 last report was made? While we're waiting, if not,  
14 why not? And shouldn't progress be tracked more  
15 regularly even without a full disparity study?

16 MICHAEL GARNER: So, with regard to the  
17 disparity study, the opening meeting is scheduled for  
18 like right now. So my staff person's engaged. There  
19 are final negotiations on the assignment that's  
20 taking place. With respect to data, we're getting  
21 data more frequently so we can use data as a tool to  
22 move forward in a way where we can correct  
23 deficiencies. And so the short answer is yes, but  
24 we're-- as I indicated before, we are having  
25 conversations about investing into an information

2 technology tool which will allow us not only to track  
3 MWBE contract awards, but more importantly, to track  
4 MWBE payments.

5 CHAIRPERSON WON: What technology are you  
6 referring to?

7 MICHAEL GARNER: We are still having  
8 those conversations right now. There's something  
9 that we are looking at, but it would be premature for  
10 me to talk about the exact product. In a very short  
11 period of time, we will be circling back around.

12 CHAIRPERSON WON: For your new contracts  
13 with CUNY for the disparity study, has your  
14 methodology for conducting disparity analysis or  
15 establishing availability benchmarks changed in any  
16 way since the 2018 study?

17 MICHAEL GARNER: Is it what again? I  
18 couldn't hear you?

19 CHAIRPERSON WON: Has your methodology  
20 for conducting disparity analysis and establishing  
21 availability benchmarks changed in any significant  
22 way since the 2018 study for the new one?

23 MICHAEL GARNER: Yeah, so in the scope of  
24 services, we are going to include the non-Mayoral  
25

2 agencies and their spend also as well for the first  
3 time.

4 CHAIRPERSON WON: And once a new report  
5 is produced, how long until you update the MWBEs  
6 goals in the administrative code?

7 MICHAEL GARNER: It will be soon shortly  
8 after that, but I will defer that to Charles.

9 CHARLES DIAMOND: Yes, of course, we-- the  
10 City does not have the availability to change the  
11 administrative code ourselves. That'll require Local  
12 Law action. So it would of course require more than  
13 just a display of the disparity study itself.

14 CHAIRPERSON WON: Okay, because last time  
15 the administrative-- Administration put the onus on  
16 the Council to update the numbers, but it's within  
17 the Administration's authority to update them.

18 CHARLES DIAMOND: So, I know that those  
19 numbers-- and I'll speak to those who-- or I'll defer  
20 to those who actually set those numbers. There's the  
21 ability to set the numbers, but if you're asking  
22 about changing Local Law One or as we colloquial  
23 [sic] called our 6129, which was your question, then  
24 that of course-- you know, if we're changing 6129, of  
25

2 course we would need to partner with the City  
3 Council.

4 CHAIRPERSON WON: And for Michael Garner,  
5 according to the Comptroller's most recent report, 61  
6 percent of MWBE contracts registered in Fiscal Year  
7 23 were retroactive. Subjecting businesses,  
8 especially MWBEs to wait long times for payment can  
9 be burdensome to owners, particularly small business  
10 owners. What is the City doing to ensure MWBE  
11 contracts are paid in a timely manner?

12 CHARLES DIAMOND: Yes, we certainly  
13 disagree with that number most significantly. So,  
14 the numbers that we have is 21 percent for Fiscal  
15 Year 23. We told them that in a letter, so they're  
16 aware of that difference that we see. So I'd be  
17 curious as to the methodology for retroactivity for  
18 MWBE that got it somewhere in 60-something percent.  
19 But we're talking about in the 20s, and of course,  
20 Chair won as you know, retroactivity is the bane of  
21 the procurement system, and 21 percent is  
22 significantly lower than we see for other problem  
23 areas, other areas where retroactivity really, really  
24 hurts the City and our vendors. So, although we are  
25 laser focused on retroactivity, we see a very much

2 lower number, but we'll not-- that will not prevent  
3 us from trying to make sure that every single MWBE  
4 contract is registered on time and every city  
5 contract is registered on time. That will always  
6 remain our goal.

7 CHAIRPERSON WON: So is your answer that  
8 you're trying to register everybody on time to  
9 prevent retroactive payments?

10 CHARLES DIAMOND: So, again, I can't  
11 speak to the act of payment. That obviously goes  
12 well beyond MOCS' remit. What we can control in the  
13 procurement process is making sure that everything is  
14 in FMS, which means it's registered. So in terms of  
15 late register-- so I believe the statistic that you  
16 just quoted was something like 60 percent of  
17 contracts registered late. So, that statistic we do  
18 not disagree with. That's not what our Local Law One  
19 numbers or indicators numbers indicate that are all  
20 public and have been public for five months. That's  
21 not the data that we see. Doesn't mean it's not a  
22 huge problem. It doesn't mean that it's distinct  
23 from payment, surely, but we disagree with that  
24 number.

2 CHAIRPERSON WON: Can you break down the  
3 21 percent in dollar amount? What does that come out  
4 to?

5 CHARLES DIAMOND: In terms of that-- well,  
6 it's a question of whether it's by value or by  
7 contract count. That's another very important  
8 distinguishing factor. Again, this is all publicly  
9 available data. I can collate it in a specific way  
10 if we're in a separate follow-up if we want to  
11 discuss different ways that we can cut it. But this  
12 is all based off of Local Law One Fiscal Year 23  
13 report and our indicators report. It's-- you can  
14 cross-reference retroactivity with MWBE status.

15 CHAIRPERSON WON: Well, luckily our  
16 Comptroller is here now and he will also be  
17 testifying, but my last question is a key finding of  
18 the Comptroller's report is that there's not one  
19 centralized place to see planned procurement  
20 opportunities. It also states that existing tools  
21 don't do enough to connect agencies and MWBEs. Is  
22 there more than-- is there more than the City can  
23 that-- is there more that the City can do to ensure  
24 MWBEs are connected to agencies, and what is the City  
25 doing to improve?

2 MICHAEL GARNER: So, yes, and once again,  
3 we are having borough MWBE outreach sessions in each  
4 one of the boroughs. We are also working with each  
5 one of the agencies when they have outreach sessions,  
6 and once again, once firms are certified we are  
7 working with SBS and the agencies to essentially lead  
8 them to specific procurement opportunities.

9 CHAIRPERSON WON: Okay, and I just want  
10 to wrap up by putting on the record that I am very  
11 concerned that the Office of Minority Women Business  
12 Enterprise prelim budget numbers cut positions from  
13 14 positions to 11 in Fiscal Year 25.

14 MICHAEL GARNER: Right. So, once again,  
15 we are-- the staff that we have, they work nights,  
16 weekends, holidays in order to execute their daily  
17 duties and responsibilities. We are optimistic as we  
18 move forward with new need asks. We will be  
19 submitting those new need asks.

20 CHAIRPERSON WON: How many staff members  
21 do you have total right now?

22 MICHAEL GARNER: Currently we have 10 with  
23 two vacancies that we have identified candidates for,  
24 and so those candidates will be starting in the next  
25 30 days. One of them will be starting on the 26<sup>th</sup>.

2 CHAIRPERSON BROOKS-POWERS: Really  
3 quickly before we pivot to the Comptroller who has  
4 now joined us. In this committee, I have asked DOT  
5 for updates on whether the agency is meeting the  
6 legal requirements set forth in the City Streets Plan  
7 Law. Given the important partnership between DDC and  
8 DOT on capital projects, how can DDC be a part of the  
9 solution and ensure that DOT can meet its legal  
10 responsibility?

11 EXECUTIVE DEPUTY COMMISSIONER OCHOA: I  
12 can start and then turn it over. So, the way we are--  
13 - the way we're counting bike lanes, bus lanes and  
14 sort of the other metrics in our street plan goals,  
15 it's a combination of street improvement projects,  
16 where those are done in-house by our crews, and  
17 capital projects. The capital projects, as you know  
18 and yall know, do take longer and do require more  
19 engagement. They are full reconstructions. So there  
20 are going to be years where we have more capital  
21 projects being delivered than others. That's just  
22 the way their capital pipeline is working. I would  
23 say the partnership between our both agencies is  
24 great, but I think DDC-- and as I said, there's just  
25 going to be fluctuations between some years we'll

2 have a bit more capital-- let's call them like  
3 protected bike lanes-- coming online versus others  
4 where we will have more street improvement projects  
5 which are done in-house.

6 DEPUTY COMMISSIONER WYNNE: I would just  
7 add to that once it comes to the construction side at  
8 DDC, we can-- we can't just install the bike lane. It  
9 would be-- it would be imprudent to do that without  
10 confirming the sewers and the water mains and the  
11 subsurface roadway, and to make sure that none of  
12 that needs to be replaced, because it won't serve any  
13 purpose to install the bike lane and then not fix the  
14 subsurface work. So when it comes to us, there's  
15 often additional scope that we need to manage which  
16 is why the projects take longer, which is yet another  
17 reason we've been pushing for alternate delivery in  
18 order to kind of speed things up and have a much  
19 broader band of opportunities to bring in contractors  
20 and designer early, connect them, and figure out ways  
21 to build things faster.

22 CHAIRPERSON BROOKS-POWERS: Are there any  
23 in the pipeline right now as it pertains to the  
24 streets plan?

2 DEPUTY COMMISSIONER WYNNE: As far as the  
3 Design-Build work goes?

4 CHAIRPERSON BROOKS-POWERS: In terms of  
5 the street plan.

6 EXECUTIVE DEPUTY COMMISSIONER OCHOA: No,  
7 in general. Yeah, they--

8 DEPUTY COMMISSIONER WYNNE: [interposing]  
9 In general, there-- yeah, we have contracts that we  
10 are currently designing that will include bike lanes.  
11 And there's a-- I can get back to whether or not we  
12 have any active construction.

13 CHAIRPERSON BROOKS-POWERS: Is that the  
14 only aspect of the streets plan that DDC has in terms  
15 of the contractual work? Is it only bike lanes or is  
16 it other safety improvements?

17 DEPUTY COMMISSIONER WYNNE: No, we also  
18 do PED safety work for DOT. Again, they'll scope out  
19 for us their needs, and then we will procure  
20 contracts. We'll do the design and then we'll  
21 procure contacts to build it.

22 CHAIRPERSON BROOKS-POWERS: So, how many  
23 of those are in the pipeline right now?

24 DEPUTY COMMISSIONER WYNNE: Well, if  
25 you're including pedestrian ramps, then there's-- you

2 know, we put out I think 15 this year, so we're doing  
3 PED safety each and every year if you're including  
4 the PED safety-- the pedestrian ramp program, but  
5 then there are all further PED safety. It includes  
6 bikes and corner bump-outs and things of that nature.  
7 Those projects, they're not as-- they're not  
8 voluminous as the PED ramp projects, but we do  
9 probably several of those every year.

10 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

11 Yeah, and Council Member, so Queen's Boulevard is a  
12 project that DDC is managing for us, although I do  
13 have to check if it was already counted towards a  
14 protected bike lane. If it's reconstructed, we  
15 don't recount it. it's only new-- and this is why we  
16 walkways talk about street plans having a few holes,  
17 because protecting bike lanes that were had-- like,  
18 hardening is not counting in those streets plans. So  
19 those are things that we weren't doing in 2019 but we  
20 are doing now, but we're not double counting them as  
21 sort of new construction. And I-- I wanted to  
22 clarify that. If it's a new project if it DDC's  
23 carrying it, we don't count it until it's completed.  
24 So we are not counting them before the project.

2 CHAIRPERSON BROOKS-POWERS: Right, you're  
3 not contracting it, but the number 15 you gave is  
4 what's in process. It's not complete.

5 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
6 Right.

7 CHAIRPERSON BROOKS-POWERS: So, DDC has a  
8 numbers in terms of what is even in process right  
9 now, because DOT has been illusive--

10 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
11 [interposing] Yeah, and we would have that number. I  
12 mean, it's the same. We would have that number. The  
13 pipeline projects that are in DDC's court what will  
14 come with a streets plan goal. I think that's the  
15 universe of project.

16 CHAIRPERSON BROOKS-POWERS: Well, that's  
17 interesting to her you say that, because in our last  
18 streets plan hearing, DOT could not tell me any  
19 numbers at all, really. And so you're now saying  
20 that you have an idea of what's in the pipeline--

21 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
22 [interposing] Yeah.

23 CHAIRPERSON BROOKS-POWERS: and what's  
24 complete, but that was not made clear. So, can you

2 let me know right now where you guys are with the  
3 goal?

4 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

5 Sure and I think the answer is the same. The-- we  
6 know what's in the pipeline. We just don't know  
7 what's going to be delivered that year for the  
8 streets plan. So that's kind of the difference--

9 CHAIRPERSON BROOKS-POWERS: [interposing]

10 So, what's in the pipeline?

11 EXECUTIVE DEPUTY COMMISSIONER OCHOA: So,

12 there's a-- I don't have it in front of me, but  
13 there's a construction pipeline that we can-- I have  
14 no issues sharing that, and then there's a street  
15 improvement pipeline.

16 CHAIRPERSON BROOKS-POWERS: so, share

17 what you have no issue sharing. Let's start there.

18 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

19 Sure, I just don't have it in front of me. We can  
20 take out all the-- so, Queens Boulevard is one that I  
21 know for sure in DDC's court. I think there's a  
22 couple projects in Corona that have been-- that we're  
23 going to be doing raised crosswalks. I can-- we can  
24 share the list of capital projects that include some  
25 by component if you wish. That's not a problem.

2 CHAIRPERSON BROOKS-POWERS: And DOT  
3 commit and DDC jointly commit to providing this  
4 information to my committee staff by the end of this  
5 week?

6 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
7 Sure, we can send you the-- I just don't know exactly  
8 when they will be delivered, but we can send you the  
9 projects.

10 CHAIRPERSON BROOKS-POWERS: That's fine.  
11 You can--

12 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
13 [interposing] Sure.

14 CHAIRPERSON BROOKS-POWERS: categorize it  
15 like that. What we expect to be delivered, what's in  
16 the pipeline, we just have no idea.

17 EXECUTIVE DEPUTY COMMISSIONER OCHOA:  
18 That's totally fair, and yes, we can do that.

19 CHAIRPERSON BROOKS-POWERS: Because I n a  
20 sense, it could be that the street plan timeline may  
21 not be something that is technically feasible based  
22 on the processes, but we don't have any line of sight  
23 on it, because you're not sharing any numbers with  
24 us.

2 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

3 Yes, we can absolutely share the capital projects in  
4 the pipeline that DDC has. That's not a problem. I  
5 think the one where we struggle more is on the street  
6 reconstruction side, because those, as you know,  
7 require a lot of engagement with community and I  
8 can't commit to a number that same year. It may be--  
9 so let me give you an example. I think Council Member  
10 Banks was here. Cosine [sic] and Bortman [sic] was a  
11 credible protected bike lane project that took two  
12 years of engagement. So, the way we see it as  
13 something in the pipeline doesn't mean that's going  
14 to be delivered that year. So that's-- that's sort  
15 of the disconnect of why we are hesitant in sharing  
16 the numbers in it, like, in that year. We like to--  
17 and we're going to be releasing the new streets plan  
18 plan--

19 CHAIRPERSON BROOKS-POWERS: [interposing]

20 This month?

21 EXECUTIVE DEPUTY COMMISSIONER OCHOA: in  
22 the next few weeks that looks at the projects that we  
23 completed last year, and that number will be--

24 CHAIRPERSON BROOKS-POWERS: [interposing]

25 And I'd like to have it broken down by boroughs, too.

2 EXECUTIVE DEPUTY COMMISSIONER OCHOA:

3 Sure.

4 CHAIRPERSON BROOKS-POWERS: Just to see

5 which borough's getting most of the dollars and

6 cents, because communities like mine we really need

7 the infrastructure projects to happen to make our

8 streets safer, and we don't really see as much of

9 that going from like a lay perspective when you walk

10 on the street and you see how you're crossing the

11 street and what that dynamic is like. I'm thankful

12 DOT installed really quickly a traffic light and

13 crosswalk in my district. Unfortunately, it was due

14 to a crash. So, I'd like to know how this money is

15 being prioritized and spent across the City. And

16 with that, before I pivot to the Comptroller. There

17 are four outstanding questions from DDC. Do you have

18 your answers now?

19 EXECUTIVE DEPUTY COMMISSIONER AUSTIN: I

20 do. So, in terms of the non-competitive small

21 purchases, in Fiscal Year 23 we-- the average size of

22 the contracts was \$180,000. And typically what we--

23 because you know, of the size of our contracts, we

24 use the non-competitive mostly for like IT services,

25

2 when we buy protective equipment for our field  
3 employee and those sorts of things.

4 CHAIRPERSON BROOKS-POWERS: Thank you.

5 ASSOCIATE COMMISSIONER MARGOLIES: And  
6 then-- oh, sorry, go ahead.

7 EXECUTIVE DEPUTY COMMISSIONER AUSTIN: I  
8 was going to share the breakdown of the MWBE PQL.  
9 There are two Black vendors, two Hispanic, one of  
10 whom is a woman, and two Asian, and two WBEs, and the  
11 rest are Asian.

12 CHAIRPERSON BROOKS-POWERS: And the rest  
13 are what?

14 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:  
15 Asian.

16 CHAIRPERSON BROOKS-POWERS: Wait, so two  
17 Black, two Hispanic women, two Asian, two WBEs, and  
18 then--

19 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:  
20 [interposing] And 12 Asians.

21 CHAIRPERSON BROOKS-POWERS: But you said  
22 Asian already, is it--

23 EXECUTIVE DEPUTY COMMISSIONER AUSTIN:  
24 Alright, so two Asian, two Black, two Hispanic, two  
25 WBEs for a total of 18.

1 COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE JOINTLY WITH  
COMMITTEE ON CONTRACTS 133

2 CHAIRPERSON BROOKS-POWERS: Okay, thank  
3 you.

4 ASSOCIATE COMMISSIONER MARGOLIES: And  
5 then, Chair, regarding the commitment rate, our  
6 Fiscal Year 23 commitment rate was approximately 2.7  
7 billion which is--

8 CHAIRPERSON BROOKS-POWERS: [interposing]  
9 \$2.7 billion?

10 ASSOCIATE COMMISSIONER MARGOLIES: Excuse  
11 me. Out of \$2.7 billion we hit approximately--

12 CHAIRPERSON BROOKS-POWERS: [interposing]  
13 Million or billion?

14 ASSOCIATE COMMISSIONER MARGOLIES:  
15 Billion with a B. We hit approximately 79 percent.  
16 For this Fiscal Year based on the September plan  
17 we're at approximately \$1 billion out of \$3.4  
18 billion. So that's about 40 percent. We do expect  
19 that number to go up as we-- a lot of our projects  
20 finish up towards the end of the Fiscal Year.

21 CHAIRPERSON BROOKS-POWERS: Thank you.  
22 And then the-- you got it?

23 MICHAEL GARNER: I was just going to  
24 close and--

25

2 CHAIRPERSON BROOKS-POWERS: [interposing]

3 Oh, no, there's one more question in terms of the  
4 commuter contract. Is Garner Group the only one?

5 CHARLES DIAMOND: Thank you, Chair, to  
6 return to that. We can certainly-- in terms of who's  
7 providing transportation for the asylum crisis, I  
8 would imagine that there are transportation aspects  
9 to a lot of the different contracts. We can  
10 certainly get back to you [inaudible]. If I  
11 understand your question correctly, vendors or  
12 subcontractors who are doing transportation services  
13 within the asylum response? So I would say as Chief  
14 Garner said, that is part of the scope of Garner  
15 environmental services, but I will definitely go back  
16 with the agencies to confirm if there is-- if those  
17 services are being provided somewhere else. I would  
18 imagine they are given the nature of the response.  
19 So in terms of transportation, we can get back to you  
20 regarding the asylum.

21 CHAIRPERSON BROOKS-POWERS: Because I  
22 know there was an article that spoke about two  
23 contracts around transportation that totaled \$1.6  
24 billion dollars, so I'd like to have more line of  
25 sight on what that is, and like is it only the Garner

2 Group. We know they're non-MBE. You know, how did  
3 they get selected? Why did they get selected?  
4 They're from Texas. So, I'd like to understand that  
5 more, and why we're not using our minority commuter  
6 vans in New York City, and how we can be able to now  
7 leverage this GSA contract, the same way we are for a  
8 Texas company for our businesses that are struggling  
9 here in New York City.

10 CHARLES DIAMOND: We can certainly get  
11 back to you with what that universe is.

12 MICHAEL GARNER: So, we thank you for the  
13 opportunity and we started out by saying and we'll  
14 end by saying that both Mayor Adams and Speaker Adams  
15 have the same goal in mind of maximizing MWBE  
16 outcomes. We are-- we have worked with our  
17 legislators up in Albany and got a lot of tools that  
18 we need. We are currently implementing those tools.  
19 We look forward to working with our City Comptroller  
20 Brad Lander who we consider our partner in maximizing  
21 MWBE outcomes. We also have a special view and focus  
22 on what Mayor Adams has indicated that he wants to  
23 use government contracting in driving equity in  
24 communities of color who have historically been shut  
25 out, and we understand that we are going to do that,

2 because access to contracts equals job creation, home  
3 ownership opportunities, better educational and  
4 better healthcare options for our MWBEs, and we look  
5 forward to working with you and this esteemed body in  
6 maximizing MWBE outcomes.

7 CHAIRPERSON BROOKS-POWERS: Thank you.  
8 Next we'll hear from the New York City Comptroller.  
9 We will take I guess about a two-minute break to  
10 allow him to get situated.

11 [break]

12 CHAIRPERSON BROOKS-POWERS: Okay, if we  
13 could resume.

14 COMMITTEE COUNSEL: Thank you. Now we're  
15 going to hear from Brad Lander, the New York City  
16 Comptroller, and Charlette Hamagian, the Deputy  
17 Comptroller for Contracting Procurement.

18 COMPTROLLER LANDER: Thank you so much.  
19 Good afternoon, Chair Brooks-Powers, Chair Won,  
20 Majority Leader Fariás. It's wonderful to be with  
21 you guys. Happy Valentine's Day. Chair Won, very  
22 excited for you and your growing family. Good luck  
23 in the coming few days. I'm delighted to be here  
24 along with Deputy Comptroller for Contracting and  
25 Procurement Charlette Hamagian, and appreciate the

3 flexibility of the Committee to make it so that we  
4 could do this hearing with the report in-hand which  
5 as you know we just released today. We appreciate  
6 the opportunity to join this important discussion  
7 about how New York City can advance equity as we  
8 build the infrastructure required for a more just and  
9 resilient future. As the Chief's financial-- City's  
10 chief financial and accountability officer, I take  
11 really seriously the responsibility of digging into  
12 the data and being honest about what it says. Our  
13 office recently released a report on the racial  
14 wealth gap in New York, which highlights the stark  
15 disparities between white and black New Yorkers. We  
16 found that the median household net worth of white  
17 New Yorkers is \$276,900, nearly 15 times that of the  
18 median Black household, at \$18,870, and the numbers  
19 are comparable for Hispanic families. That's a wider  
20 racial wealth gap than the United States as a whole.  
21 And we find that these racial wealth gaps are  
22 perpetuated in many places, patterns of  
23 discrimination in homeownership, in education, in  
24 student loans, and investment holdings, in retirement  
25 security, and at last, in City contracting.  
Contracting-- and that's the whole reason you're

3 having this hearing-- is a powerful tool to achieve  
4 New York City's priorities, how we build our schools,  
5 repair our roads, upgrade our parks, provide services  
6 to our kids, on and on. This past fiscal year, the  
7 City spent roughly \$40 billion on contracts for  
8 everything from office supplies to human services to  
9 technology projects to the construction of large-  
10 scale infrastructure projects, the particular focus  
11 of today. If those contracts were distributed  
12 proportionately to our population in a city where 29  
13 percent of the folks are Latino or Hispanic, 20  
14 percent Black, 16 percent Asian, and of course, more  
15 than 50 percent women, then contracting would be an  
16 enormous force for reducing those wealth gaps and  
17 sharing prosperity more broadly. Sadly, of course,  
18 that has long not been the case. Despite decades of  
19 efforts, disparities in the City's procurement  
20 continue to exacerbate racial and gender disparities,  
21 rather than narrow them. So, today, our office  
22 released the Annual Report on MWBE Procurement. The  
23 report measures MWBE utilization in compliance with  
24 Local Law 174 of 2019, which authorized the City's  
25 current MWBE program. It delves in-depth into agency  
by agency across industry numbers and evaluates the C

3 City's work to move the needle in the direction of  
4 greater equity and to make concrete recommendations  
5 for reform. And I'll start by observing, we really  
6 share the spirit of collaboration and partnership  
7 that Chief Business Diversity Officer Michael Garner  
8 expressed earlier. We are working closely and  
9 productively with this office, and we acknowledge  
10 that they are making significant meaningful efforts  
11 that have resulted in some progress on prior  
12 recommendations. Still, city agencies, as detailed  
13 in the report, continue to fall woefully short. And  
14 I'll just note here, these aren't our numbers. These  
15 are just the numbers. We draw them from FMS, the  
16 City's Financial Management System. Deputy  
17 Comptroller Hamagian, her team pulled the Fiscal Year  
18 23 contracts. They're all available in Checkbook  
19 NYC, on our website as well, and the Administration  
20 has not put forward other numbers. So, again, we are  
21 working constructively with them and we welcome their  
22 and your feedback, but these aren't our numbers,  
23 they're just the numbers, and we include an analysis  
24 of spending as well as contract value. We look both  
25 at overall procurement and procurement subject to the  
Local Law. So you can take a look at all that

2 information in detail. Just a few highlights, and  
3 you have actually referred to these in the hearing  
4 already, but MWBEs continue to win only a very small  
5 share of city contracts. 5.3 percent of the value of  
6 all new city contracts and purchase orders registered  
7 in Fiscal Year 23. It was 5.2 percent in Fiscal Year  
8 2022. I supposed you could call that a very small  
9 percentage increase. And just 9.8 percent of the  
10 narrower universe of city contracts subject to Local  
11 Law 174, which make up about one-quarter of the  
12 City's procurement. That was actually down from  
13 Fiscal Year 2022, and that's even after we took the  
14 Brooklyn borough-based jail out of the denominator  
15 because it had a real big skewing impact. You talked  
16 a lot about the disparity of the disparity, but it's  
17 just worth reporting these numbers out loud. Only  
18 1.16 percent of the value of contracts and purchase  
19 orders subject to Local Law 174 participation goals  
20 were registered to Black MWBEs; 0.96 percent Hispanic  
21 MWBEs, and only a combined 1.03 percent to women of  
22 color owned MWBEs. As you guys discussed, MWBEs are  
23 winning more contracts, but they tend to be much, much  
24 smaller. They're-- you know, there's value in  
25 expanding MWBEs non-competitive, small procurement

2 for sure, but the impact of the fact that MWBE  
3 contracts are basically one-eighth the size of  
4 contracts registered to non-certified firms; 4.6  
5 million on average to non-certified firms versus  
6 511,000 for MWBEs means that even while many more--  
7 the volume and then number of contracts registered by  
8 percentage is going up, the total value remains the  
9 numbers I cited. Most MWBEs registered with the City  
10 don't actually get a contract. Only about 20 percent  
11 of city certified MWBEs got a contract in Fiscal Year  
12 23, and late payment remains a significant issue for  
13 MWBEs, for human service providers across the board.  
14 In addition to providing analysis of the overall  
15 state of City procurement, the Report provides a  
16 snapshot for each agency. Deputy Comptroller  
17 Hamagian's team developed a new overall performance  
18 metric to account for differences among agencies.  
19 Past reports really just treated all the agencies as  
20 comparable, but they're so different based on size  
21 especially. So we now examine the relative  
22 performance of agencies comparing them to their peers  
23 with similarly sized portfolios subject to the Local  
24 Law. And just quickly, you know, with large agencies  
25 DEP was ranked first and DOT last, and the Office of

2 Technology and Improvement most-improved. And you  
3 heard a lot about-- you know, I heard Chief Business  
4 Diversity Officer Garner speak specifically to a very  
5 large OTI contract that was registered with a MWBE  
6 firm. Agencies with a moderate size contracting,  
7 Department of Homeless Services was both first and  
8 most-improved from last year, and DCAS last. Amongst  
9 the small contracting agencies, the Law Department  
10 was first and most-improved, and Department of  
11 Finance ranked last. Amongst agencies with micro-  
12 level purchases, I'm happy to say the Comptroller's  
13 Office came in first and the CCRB last; the Business  
14 Integrity Commission with the most improvement. And  
15 for the first time we included Department of  
16 Education numbers in here. They're not subject to--  
17 they weren't previous subject to Local Law 174  
18 participation goals, but in Fiscal Year 21 DOE's  
19 procurement, policy and procedures were amended to  
20 implement an MWBE goals program consistent with Local  
21 Law 174. So this is the first Fiscal Year in which  
22 those rules were effective, and MWBEs accounted for  
23 8.92 percent of DOE prime contracts for purchase  
24 order registrations, about a percentage point below  
25 the City as a whole. Your hearing-- you know, one

2 finding in the hearing that really said that this was  
3 the right hearing to have to focus on construction  
4 and procurement is that we look by sector, and there,  
5 construction unfortunately is by far the worse.

6 While an impressive 63.6 percent of the value of  
7 contracts for goods went to MWBEs and a respectable  
8 21.6 percent for professional services like the  
9 technology contracts that Chief Diversity Officer  
10 Garner cited, only 7.5 percent of construction  
11 services prime contracts registration values went to  
12 MWBEs. And that's especially troubling on the large  
13 projects. As you mentioned the largest procurement  
14 by far last year was the \$3 billion contract by the  
15 Department of Design and Construction with a non-  
16 certified firm for the Design-Build construction of  
17 the Brooklyn borough-based jail. That contract has  
18 a 30 percent MWBE utilization goal which if realized  
19 would deliver \$900 million. That's nearly half the  
20 total value of Local Law compliant purchases for last  
21 year. That contract will last more than one year, of  
22 course, but a little less than a year into the six-  
23 year contract term, just one percent of the value of  
24 the subcontractors were to MWBEs. You had good back  
25 and forth, and I was actually encouraged to hear them

2 acknowledge the problems with the Payee Information  
3 Portal, but there really is a significant overlap  
4 with the hearing, because subcontractors should be a  
5 source of significant contract value for MWBEs.  
6 There's a lot of subcontracting on construction  
7 projects. Smaller firms can get a leg up, can have  
8 their insurance covered, can work with mentors, but  
9 you really need your subcontracting system to be  
10 working, to utilize and capture the value, and the  
11 failure of the Payee Information Portal to capture  
12 and utilize subcontracting value just makes it  
13 impossible for us to measure, but also for there to  
14 be real clarity about whether people are hitting  
15 their goals. Mayoral agencies approve subcontract  
16 records. Again, it's just about 13 percent of the  
17 2,927 Local Law-eligible prime contracts, and we know  
18 there were probably subcontractors on the vast, vast  
19 majority of them, but the other 87 percent registered  
20 no subcontracts within PIP, even though there are  
21 subcontracts on all or the vast majority of those  
22 projects. So it was useful to hear them talk about  
23 the fact that it needs to be replaced and that there  
24 are plans to put it into Passport, although we didn't  
25 get a deadline on when that data-- when that will be.

2 We highlight other findings that I won't read here.

3 We go into more in the report. We did evaluate their  
4 efforts to move the needle, and we found meaningful  
5 effort. Some progress on recommendations from last  
6 year, and of course, still substantial areas for  
7 improvement. You heard about the Capital Process  
8 Reform Taskforce which we're proud to be a member of.

9 We joined them in lobbying for that increase to \$1.5  
10 million, a real significant victory I want to give  
11 them credit for, and we worked with them to quickly  
12 implement that threshold which required, you know,  
13 changes at the PPB and implementation work that went  
14 real well together. We really respect the work on  
15 insurance and mentorship that they won, and are back  
16 up there again on some other things including more  
17 alternative delivery methods. We give credit to City  
18 Hall for making some progress and establishing more  
19 pre-qualified lists, [inaudible] better utilizing  
20 best value procurement, achieving modestly higher  
21 dollar use of the non-competitive small procurement  
22 method, directing micro-purchases to MWBEs, updating  
23 some of their training and guidance to agencies and  
24 making relevant data more accessible. Unfortunately,  
25 no progress was made over the last year since the

2 report, and-- visible progress at least in reforming  
3 that subcontracting process. Better enabling MWBEs  
4 to find agencies with the contracts that they can  
5 supply. I'll talk a little more about this. And  
6 improving the timeliness of subcontract  
7 registrations. So that's really what we focused on  
8 in our recommendations. They could do a lot more to  
9 match the right agency of what they're looking for  
10 with the vendor who can provide it. Right now,  
11 everything is in basically just one giant space. So  
12 if you're a transportation vendor looking for an  
13 agency with a transportation contract, that's not  
14 easy to find. You're looking at every other kind of  
15 human service and construction contract. You know,  
16 the data systems exist to help you say here's what I  
17 can provide. The agency can say here's what I'm  
18 looking for, so that if you're looking for an MWBE,  
19 you're going to have an event and you want the food  
20 catered. What you want is a good list of MWBEs who'd  
21 provide that service. It's easy to get, and vice  
22 versa, so that an MWBE says don't show me every  
23 single kind of contract the City has. Show me the  
24 ones that have actually registered and qualified to  
25 provide the services for us. So that's an area where

2 we think they could do a lot better. We have some  
3 other recommendations about surveying under-utilized  
4 firms, improving their goal-setting procedures and  
5 oversight, and then especially focused on  
6 subcontractors in construction and also especially in  
7 human services. Actually, I want to underline this  
8 point, because even though we're mostly talking about  
9 infrastructure. We mostly think of human services as  
10 something outside of MWBE, because they're largely  
11 nonprofit contractors. However as we're seeing with  
12 the asylum-seeker emergency contracts, a lot of those  
13 contracts are now going to for-profit businesses.  
14 Very, very few of them MWBEs, and even when they go  
15 to nonprofits, there are many subcontracts. Because  
16 on a shelter contract, for example, it's probably the  
17 case that the cleaner's subcontracted. The  
18 security's subcontracted. The food's subcontracted.  
19 The transportation subcontractor are not nonprofits,  
20 but are for-profit businesses. But right now, MWBE  
21 goals don't apply there. Even if they did, it would  
22 be hard to see the subcontracts because of the  
23 problems with PIP, but they should apply and they  
24 should be visible, and we could make a lot of  
25 progressive if we did it there. Finally, just want

3 to acknowledge and speak briefly to Intro 23  
4 sponsored by Chair Brooks-Powers, which would require  
5 the Comptroller to provide an annual audit of MWBE  
6 procurement. We applaud the intent of the  
7 legislation to guarantee transparency and  
8 accountability, recognizing that the current report  
9 is voluntary. It would not be required to be  
10 continued by future Comptrollers, as witnessed by the  
11 report we're issuing today. Our office, through our  
12 contractor review, access to FMS and Checkbook and  
13 related oversight powers, is well-positioned to  
14 conduct this important work. We welcome feedback on  
15 the report including suggestions for how we can make  
16 it even more useful. I will note we have some  
17 concerns about the specific language of the bill and  
18 look forward to further discussion to make sure we  
19 can best achieve our shared goals through it. And  
20 finally, in addition to all this data analysis, we  
21 organized a series of roundtable discussions in  
22 neighborhoods across the City, in east New York,  
23 Jamaica, the northeast Bronx, and the north shore of  
24 Staten Island to hear directly from MWBEs. We heard  
25 a lot of frustration about some of the pinpoints, but  
a lot of hope about what city government could do,

2 and we made a short video of the folks from those  
3 roundtables, that I think we have cued up to play  
4 here, and we thought it would be great to conclude by  
5 hearing from MWBEs themselves. Optimized for mobile,  
6 so unfortunately it's-- more people will see it that  
7 way.

8 SPEAKER 1: Every year, the Comptroller's  
9 Office puts out this annual report on MWBEs  
10 procurement.

11 SPEAKER 2: Just seven years in and  
12 getting past all of that, it's been a journey. It's  
13 been a lot of hard work, and thankfully we're able to  
14 still be around and still get contracts. But just a  
15 lot more help is needed for businesses that's coming  
16 into this arena.

17 SPEAKER 3: So far the experience has  
18 been a bit challenging. Utilizing the MWBE portal  
19 has definitely been a very convoluted experience.  
20 Just a lot of things that I need to learn.

21 SPEAKER 4: The most confusing is that I  
22 don't understand how my industry can get more  
23 involved in the bidding process. When I get an email  
24 I almost always immediately see it. So definitely  
25

2 having a lot of correspondences outside of just  
3 postings on websites.

4 SPEAKER 5: Because typically that's what  
5 happens. [inaudible] going to get awarded to. They  
6 just throw it out there to make us see like, okay, we  
7 offered it up.

8 SPEAKER 6: [inaudible] in getting any  
9 major contracts. The contracts that they've run my  
10 way, for the most part, has been way outside the  
11 scope towards a medium-sized business.

12 NINA FLORES: I'm Nina Flores. I'm the  
13 Executive Director at Staten Island Business Outreach  
14 Center. The big issue for them sometimes is delayed  
15 process payment and trying to get work on Staten  
16 Island, because it's very hard for city agencies if  
17 there's nothing on Staten Island that is available  
18 for them.

19 SPEAKER 7: I've been working with Nina  
20 Flores literally from the beginning. She worked with  
21 me. She basically held my hand through the whole  
22 process. She helped to make sure that we were  
23 registered with all the appropriate agencies and the  
24 categories were correct. The best thing about these  
25 programs is that when you [inaudible] always picks up

2 the phone. I think that's also important. As far as  
3 getting the contracts, that's a little more  
4 challenging. I think if it were more collective, we  
5 could talk about our experiences. I think that would  
6 be better for [inaudible].

7 SPEAKER 8: I've gotten little or no work  
8 at all, no contracts at all from the city over many,  
9 many years. The emphasis should now be on providing  
10 access to contracts to Black businesses, and that  
11 tells you of their resilience. They just cannot  
12 break. So I'm getting those meaningful contracts.

13 SPEAKER 9: We made a lot of good  
14 recommendations for how it could be better.

15 SPEAKER 8: I'm glad that the Comptroller  
16 came out tonight, and I'm hoping that some meaningful  
17 results will come out of this.

18 COMPTROLLER LANDER: Thank you.

19 CHAIRPERSON BROOKS-POWERS: That was my  
20 constituent that closed it out. Just a few  
21 questions. First of all, thank you for coming and  
22 providing testimony. Thank you for the report that  
23 you voluntarily do, and it's important to acknowledge  
24 and recognize the work of your office. Around that,  
25 especially because it gives greater visibility in

2 terms of how effective the MWBE program is and where  
3 some of the challenges may be so that as legislators  
4 we can move forward legislation that could address  
5 some of those issues. So, I just had a few quick  
6 questions if that's okay? So, does your office reach  
7 out to agencies that seem to be doing particularly  
8 well or particularly poorly to find out why, and are  
9 there best practices being implemented in some  
10 agencies but not others?

11 DEPUTY COMPTROLLER HAMAGIAN: Thank you  
12 for that question, Chair. So, you know, part of the  
13 reason why we pivoted from making it a grade, which  
14 was the format of the annual MWBE report under the  
15 prior Administration, to the current format is  
16 because, you know, as alluded to by Michael Garner  
17 and the Comptroller, we really do want to partner  
18 with the Administration. We want the information  
19 that we report out to be helpful in both the  
20 Administration's own oversight agencies as well as  
21 their contracting agencies. Being able to see where  
22 are we doing well, where are we not doing well and to  
23 cross-share that information, and so our report  
24 includes citywide totals, but we break it down based  
25 on industries, and we break it down based on

2 agencies. part of the co-- the new way in which  
3 we're evaluating agencies on cohorts is also not just  
4 to lump agencies who provide the same types of  
5 services or the same types of goods, but have the  
6 same for contracting portfolio so that an agencies  
7 doesn't feel that they are left alone to figure out  
8 how to address their own internal inability to  
9 perhaps maximize MWBE utilization, and they can see,  
10 okay, I'm DOT, I see that DDC procures much of the  
11 same things that I'm procuring. They're exceling in  
12 overall utilization. They're excelling in higher  
13 average dollar non-competitive small purchase awards.  
14 They are excelling in better addressing the disparity  
15 within the disparity and cross-sharing that  
16 information. So our report was meant to help  
17 facilitate that dialogue, including our engagement  
18 with the Administration on a regular basis to help  
19 procurement reform more generally.

20 CHAIRPERSON BROOKS-POWERS: No, thank you  
21 for that. And what part of the MWBE pipeline in your  
22 opinion is in most need of improvement, from reaching  
23 out to potential MWBE firms, certifying them as  
24 MWBEs, informing them of contract opportunities, and

2 finally the processes within the city agencies  
3 themselves that engage with MWBEs?

4           COMPTROLLER LANDER: I think if I were  
5 going to pick two things to prioritize, it would be  
6 the subcontracting, which is just a giant area of  
7 opportunity for growing firms, but that needs just  
8 the transparency, the utilization of the oversight,  
9 and the matching that I mentioned which is just fully  
10 achievable, right? Agencies know what they're  
11 procuring. City gets-- has it all. So a system--  
12 you know, you heard in the video someone say, you  
13 know, it's all like one big giant soup, and if I  
14 either could get an email or at least register to be  
15 able to see the kinds of the procurements I was  
16 looking for. I guess those were the two things that  
17 we prioritize.

18           CHAIRPERSON BROOKS-POWERS: and on a more  
19 micro level, I'm curious, what steps do you recommend  
20 the City to take to increase the MWBE human service  
21 contracts that you mentioned. We heard there are  
22 outreach efforts, but have you find that there are  
23 roadblocks to increasing these numbers?

24           COMPTROLLER LANDER: Well, first I would  
25 say legally-- like, I haven't looked at the legal

3 question. Could you adjust the Local Law to apply it  
4 to human service contractors? That's a-- but I don't  
5 conceptually know why not. Obviously, if a business  
6 itself is a nonprofit, then it doesn't have owners  
7 and it can't itself be an MWBE, but the  
8 subcontracting requirement-- first, if your human  
9 service agencies are doing procurement from for-  
10 profit businesses, witness-- so emergency contracts  
11 are exempted, and it's useful to hear them say they  
12 have a meeting in which they talk about them, but I  
13 mean, they don't need to be exempted. And then-- so  
14 any human service contracts that are going to for-  
15 profit businesses going to have the rules applied,  
16 and even those to nonprofits could have their  
17 subcontracting subject to the 30 percent goal. So I  
18 think there may be an opportunity either subsequent  
19 to the disparity study or with legislation to expand  
20 the Local Law. It only covers currently a quarter of  
21 City procurement, and if it covered more than the  
22 goals would apply, then of course, there would be  
23 work to help agencies oversee and enforce. That  
24 would be a new thing for nonprofits to have their  
25 subcontracting, you know, held to MWBE goals, and one  
would want to help them achieve that work. So there

2 would be a lot to do, but I think it's very  
3 promising.

4 CHAIRPERSON BROOKS-POWERS: And last two  
5 questions. One, how do you think the City should  
6 streamline collaboration and communication with  
7 MWBEs? And two, what actions can the City take to  
8 make sure the contracts awarded to MWBEs are paid in  
9 a timely manner?

10 COMPTROLLER LANDER: I'll take the first  
11 and then I'll hand it over to Charlette for the  
12 second. Two points about kind of streamlining the  
13 relationship. One, you saw in the video the Staten  
14 Island groups talk about how much they value the work  
15 of the Staten Island overall business development  
16 corporation and Nina Flores, and I don't know enough  
17 about whether that's with a contract from SBS to do  
18 it, but it was clear in talking to people there, you  
19 know, it's a complex system and having somebody to  
20 help you navigate it is really helpful. So, I think,  
21 you know, building on that, the kind of work that  
22 she's doing and having contracts to do that is  
23 valuable. And then second, I'm sorry to be a broken  
24 record on it, but I think creating a system that  
25 makes it, you know, easy to see the kinds of

2 contracts you're looking for and for the agencies to  
3 find the kind of MWBEs vendors. Actually, let me  
4 focus on the non-competitive small procurement here,  
5 because that's not being bid like what, you know, the  
6 non-competitive small procurement means for now for  
7 contracts up to \$1.5 million. If you find an MWBE,  
8 you don't have to bid it out. That's appealing to an  
9 agency, because they save the time of bidding, but of  
10 course, that also means they don't have an  
11 opportunity to put it out in the field and find new  
12 contractors. And so, one thing we heard from some  
13 of the folks we talked to is that might be a great  
14 method. If you're already, you know, an MWBE the  
15 agency knows, but if they don't know you, then it's  
16 pretty hard to break in because you never get a bid  
17 opportunity on NCSP. A way of dealing with that  
18 could be to-- let's say let's look at the things  
19 which are the biggest areas of NCSP procurement, you  
20 know, something like-- I don't know. I'll use  
21 catering as an example, just because it's a thing we  
22 do in our office if we're having an event and we  
23 always know look to make sure that our catering  
24 vendors is an MWBE, and we try to use that method. A  
25 system in which it was easy to find what you were

2 looking for across the different types of procurement

3 I think could really streamline the relationship.

4 Hand it off to Charlette on timely registration.

5 DEPUTY COMPTROLLER HAMAGIAN: Timely  
6 registrations. So, you know, I think as Chair you  
7 mentioned and you questioned the prior panel on,  
8 retroactivity generally speaking has always been a  
9 longstanding problem for city agencies. And so it's,  
10 you know, roughly-- if you're looking at all  
11 procurement methods including the non-competitive  
12 small purchase, about 62 percent of contracts awarded  
13 to MWBEs are not registered on time, and you know,  
14 further detailed in the report you'll see the  
15 different bands. Sometimes they're just 30 days  
16 delayed, but more often they're not. They're, you  
17 know, three months, a year delayed. It's not unique  
18 to the MWBE space. It's true for all of our vendors.  
19 It's true for the human services sector, where  
20 similarly, it's something about a 72 percent  
21 retroactivity rate. And in those discussion that  
22 we've had including with Council when we're talking  
23 about those retroactivity rates, you know, this is  
24 the commitment that was made in the taskforce  
25 intended to help support the contracting woes for

3 human services, but really carries over across all  
4 industries, including MWBEs, is that you can have  
5 these short term initiatives to clear backlogs and  
6 hope that you're not creating a new backlog by  
7 focusing on clearing the old backlog. But you're  
8 never going to get to the root of the problem unless  
9 you look at key performance indicators and milestones  
10 that are part of the entirety of the process which is  
11 partly why looking at data at such a micro level is  
12 helpful, because you need to look to see where are  
13 those bottlenecks, where are proposed legislative  
14 changes, where are additional training opportunities  
15 for staff and/or vendors? So, you know, what-- what  
16 was supposed to have come out and unfortunately  
17 hasn't come out of the nonprofit taskforce was  
18 ContractStat [sic] which was aimed to look at all of  
19 those different parts of the procurement process and  
20 how long is every-- first of all, what are all of  
21 those high level and lower level steps, and how long  
22 are they all taking? We've said this before but I'll  
23 continue to say it, we are the only part-- our  
24 charter mandated review is also the only part of the  
25 procurement process, and it comes at the very end,  
that has a prescribed timeframe, and it's 30 calendar

2 days, right? So my team whether they have 700  
3 contracts that have been submitted to them or 1,700  
4 in like the height of the, you know, the start of the  
5 fiscal year, needs to get those contracts reviewed in  
6 30 calendar days. And so it, you know, without  
7 seeing what those timeframes are currently for all of  
8 the other stages of the process, we can't work  
9 together to normalize what they should be, and at  
10 least establish reasonable expectations. So that  
11 when agencies are planning for their procurement  
12 opportunities and their procurement needs, they can  
13 plan to make sure that those contracts move through  
14 the process and get to our office with sufficient  
15 time so that our vendors are not working at-risk.

16 COMPROLLER LANDER: And Council Member  
17 Stevens has some legislation on these questions of  
18 timeframes for agencies and the contracting process  
19 which at the beginning of the term I was-- you know,  
20 I thought let's go through the taskforce work, have  
21 contracts that provide some data so you could inform  
22 that legislation, but unfortunately without  
23 ContractStat it might make sense just to go ahead and  
24 pass some legislation that requires it to be

2 collected and implemented, because the current system  
3 is not working.

4 DEPUTY COMPTROLLER HAMAGIAN: And I'll  
5 just throw out another fact that we report on in our  
6 report just sort of to hone in on the registration  
7 piece. In support of agencies being able to more  
8 expeditiously make awards to MWBE vendors and to  
9 maximize the benefit of using the non-competitive  
10 small purchase method, we have delegated two agencies  
11 the ability to self-register those contracts with  
12 conditions that they submit the packages to us so  
13 that we still are able to do a post-audit review of  
14 their oversight. Even when we've delegated our  
15 registration authority, the contracts that we're  
16 seeing awarded pursuant to that method are roughly 70  
17 percent late.

18 CHAIRPERSON WON: Thank you so much  
19 Deputy Comptroller and Comptroller Lander. It's so  
20 great to see you all, and this was a perfect  
21 colliding of the hearing and the report coming out at  
22 the same time so that we have more up-to-date data  
23 points to question and provide oversight on mayoral  
24 agencies on. Before, with the mayoral agencies that  
25 were here, what came up when we talk about

2 disparities within disparity or diversity within  
3 diversity, it's also in your report that identifies  
4 higher average contract value for Asian-American  
5 MWBEs and there was speculation that it may be driven  
6 by a high-value contract-- high value contracts  
7 registered to those MWBEs through the Office of  
8 Technology and Innovation. Have you examined that  
9 data, what that data looks like without those  
10 outliers for Asian-American MWBEs?

11 DEPUTY COMPTROLLER HAMAGIAN: Not in our  
12 report, but all of our source data is something that  
13 we not only publicly make available, but we'd also be  
14 happy to do that particular pivot for you.

15 CHAIRPERSON WON: Yeah, I would love to  
16 look at the disaggregation, because I know that there  
17 are disparities even within the Asian-American, like,  
18 minority group for East Asians and all the different  
19 like South Asian groups, etcetera. The same way that  
20 we were able to disaggregate the AAPI data for the  
21 census, I would love to see that on a city level for  
22 all of our contracts as well, so what we can make  
23 sure that there is equity. And your report notes  
24 that MWBEs are being paid late on over 60 percent of  
25 their contracts, and you heard them dispute that

2 number saying that it was 21 percent, that they  
3 disagree with whatever methodology is or whatever  
4 they want to say, and that the citywide number for  
5 procurement contracts is even worse than almost 66  
6 percent. So, do you have any recommendations on how  
7 we fix this problem? This appears remarkably worse  
8 than last year, and is not sustainable if the time  
9 percentage continues to fall?

10 DEPUTY COMPTROLLER HAMAGIAN: I'm going  
11 to stress again I think the importance of  
12 ContractStat which I think we've testified to before,  
13 which is really to be used as a management tool.  
14 It's not there to ping agencies. it's really there  
15 to help agencies, to help us in working  
16 collaboratively with the Administration identify what  
17 are the steps that we need to take, including  
18 potentially legislative steps to help speed along the  
19 process. You know, I've mentioned it before, but  
20 again, I think that sometimes well-intentioned  
21 efforts to help clear backlogs unintentionally de-  
22 prioritize making sure that the next year's  
23 contracts are being timely registered. And so again,  
24 in order to avoid this cyclical problem of we're  
25 clearing the old, but creating a new problem,

2 ContractStat would really help us to make long-term  
3 solutions and improvements in this space.

4 CHAIRPERSON WON: Okay. So, we'll keep  
5 on following up to make sure that ContractStat is--  
6 the new release is done on time. And for last year's  
7 comptroller report you offered five recommendations,  
8 one of them being ensuring that MWBEs have access to  
9 higher-value contracts for prequalified lists of best  
10 value preferences, bolster agency use of NCSP  
11 contracts and other discretionary methods, reforming  
12 the subcontracting process, providing stronger tools  
13 to city agencies, improving the timeliness of  
14 contract registration-- we know that they're doing  
15 very poorly on timeliness on their schedule, as you  
16 just discussed, but how are the city agencies doing  
17 on the other fronts according to your evaluation?

18 COMPTROLLER LANDER: We have the section  
19 of the report, assessing progress from last year.

20 CHAIRPERSON WON: Okay.

21 COMPTROLLER LANDER: It starts on page 17.  
22 We gave them one complete. They did, you know-- one  
23 of last year's recommendations was to raise the non-  
24 competitive small procurement threshold up to \$1.5  
25 million. We gave them one, two, three, four, five,

2 six areas of in-progress, and then we go into a  
3 discussion on each one. You know, so the first one  
4 was to establish more prequalified lists. You asked  
5 them about the DDC prequalified list that was used.  
6 We saw some progress there, and that progress is  
7 discussed kind of in the subsequent section. And  
8 then three areas where we didn't see any progress:  
9 the subcontracting reform, this validating community  
10 codes to help agencies find the right MWBEs, and the  
11 timeliness improvements.

12 CHAIRPERSON WON: Do you have any  
13 suggestions? Would it be legislation? Or how can  
14 we push them for subcontracting report, because  
15 seeing for example, DOT Go. DOT Go is now being  
16 reported as an MWBE because they are subcontracting,  
17 I believe, with black women owned business and  
18 partnership. So, we want to make sure that for all  
19 of the reports that we have for MWBEs that we are  
20 differentiating between prime contractors and  
21 subcontractors and not diluting or over-counting  
22 MWBEs through these loopholes.

23 DEPUTY COMPTROLLER HAMAGIAN: We share  
24 both that concern of the double-counting, but also  
25 the need for better systems to be able to

2 differentiate as you said, Chair, between the prime  
3 and the sub. You know, in a perfect world, if the  
4 Payee Information Portal, PIP, was being used in the  
5 way it is actually in some cases required to be used-  
6 - just, you know, backing up for a moment. The  
7 City's PPB rules already require that all  
8 subcontractors be submitted by primes to agencies and  
9 approved or denied. And then most of the City's  
10 contracts include a contractual provision that  
11 require the prime to enter the request for the prime  
12 in PIP and say yay or nay, and then unfortunately,  
13 much of the work is still paper-based, and I think we  
14 went into this in last year's MWBE report as well.  
15 There's also an opportunity for payments to subs to  
16 be entered into that system. As you probably know,  
17 the City, you know, cuts its checks to its primes, so  
18 the visibility into subcontractor utilization, but  
19 especially payment is really opaque. So  
20 strengthening the enforcement of requirements that  
21 are already built into our procurement rules that are  
22 already contractual provisions of our contracts, and  
23 then making sure that the tools that are part of that  
24 infrastructure to see who the subs are and payments  
25 to them, I think are critical. Just for example, as

2 you know, I was here listening to the earlier part of  
3 the session, you know, the Administration alluded to  
4 the fact that at least some transportation  
5 subcontracting might be happening through a citywide  
6 contract held by DCAS with the vendor Garner. If you  
7 were to look into the City's information-- Financial  
8 Management Systems PIP portal, you would see no  
9 subcontractors associated with that contract. So,  
10 again, the subcontracting information that we do  
11 report on in here is what we can see, but with only  
12 13 percent of those contracts having-- that are  
13 subject to Local Law 174 which isn't even the  
14 nonprofit, human services space, we really have no  
15 visibility to be able to help make recommendations or  
16 hold agencies accountable.

17 COMPROLLER LANDER: Yeah, or the Garner  
18 contract either, since I think isn't that a-- that  
19 was an emergency contract?

20 DEPUTY COMPROLLER HAMAGIAN: The  
21 existing Garner contract is not an emergency.

22 COMPROLLER LANDER: Oh, that's right.

23 DEPUTY COMPROLLER HAMAGIAN: But they're  
24 using it to leverage the City's response to the  
25 emergency.

2 CHAIRPERSON WON: Okay. And then, yeah,  
3 we would love to continue to partner with you on  
4 this, because we're just concerned we're seeing it  
5 all over the micro-contracts. I know we're seeing it  
6 for School Construction Authority, etcetera. Then  
7 we're just looking at your report and being awestruck  
8 at every single page, our jaws dropping. My last  
9 question is-- can you speak to the Z score  
10 methodology your office is using this year to measure  
11 agency success and failure when it comes to MWBE  
12 procurement in the past, or was it general percentage  
13 used for the best and worst performing agencies, like  
14 on a A to F score? How is the Z score model  
15 different? If you could just simplify, because it's--  
16 - it's a lot harder than looking at A, B, C, D, F.

17 COMPTROLLER LANDER: It is.

18 CHAIRPERSON WON: Yeah.

19 DEPUTY COMPTROLLER HAMAGIAN: Yeah, sure  
20 absolutely. This was, you know, from my prior  
21 professional live, having been at four contracting  
22 agencies, and four contracting agencies that have had  
23 vastly different scopes, but different contracting  
24 portfolios. It's not easy to compare a small agency  
25 that has a very specific mission and therefore, a

2 very specific procurements to support that mission

3 with a large agency that maybe has a variety of

4 industries for which it needs to procure contracts.

5 And so the intent here was to still hold agencies

6 accountable and to still report on what are they

7 doing with the budget or scope of projects that they

8 procure, but to not compare the DDC's with the Law

9 Departments of the world. And so it is still holding

10 them accountable for what are they spending based on

11 their volume and value with a slight weight on value.

12 But they have instead been bucketed into four

13 different groups. So the groups are large value,

14 medium value, small value, and micro value, and their

15 values were based on a four-year lookback to see how

16 much they spent with MWBEs during that four-year

17 lookback. And again, comparing not just volume but

18 value. And so the methodology is detailed a little

19 bit more in the report, but that was-- it was really

20 just to help make a little bit more apples to apples.

21 When agencies themselves are looking, to my earlier

22 point, so that they can see is another agencies that

23 does something similar to me in a same sort of scope

24 doing better, and how can I reach out to them and

25 learn lessons learned? It could also be support for

2 OMWBE, MOC, and SBS and they're providing oversight  
3 to those agencies.

4 COMPROLLER LANDER: And I just want to  
5 underline this point. I mean, part of the goal was to  
6 deliver a management tool instead of a political--

7 CHAIRPERSON WON: [interposing] Right.

8 COMPROLLER LANDER: Yeah, so-- the prior  
9 report, you know, had the letter grades, and those  
10 were easy to understand, but they just-- you know,  
11 they attracted good like media attention, but then  
12 there was a lot of fighting and it wasn't a useful  
13 management tool, or at least it didn't get used.  
14 This is just out now, so whether it'll get used as a  
15 management tool is TBD, but this thing with a real  
16 transparent, you know, what are you being measured on  
17 and like looking at agencies we think can be used by  
18 the Administration to really hold agencies  
19 accountable and drive specific change.

20 CHAIRPERSON WON: Now that you explain  
21 it, it sounds like a much more fair process, and the  
22 agencies should be grateful. Thank you.

23 DEPUTY COMPROLLER HAMAGIAN: You're  
24 welcome.

2 CHAIRPERSON WON: Okay, I have no further  
3 questions.

4 DEPUTY COMPTROLLER HAMAGIAN: Chair, I  
5 just want to also add, while most of the agency-  
6 specific-- most of the detail on each of the agencies  
7 is an agency-specific section, there are two sections  
8 in the report where we did sort of one-pagers that  
9 you can easily see agency versus agency comparison,  
10 and instances where maybe that sort of apples to  
11 oranges isn't as applicable and that's related to  
12 retroactivity as well as I think what you were all  
13 referencing earlier when you were discussing DOT's  
14 non-competitive small purchase amount, their average  
15 value as well as the number of unique vendors that  
16 they contract with. So that's sort of an easy  
17 snapshot to see them all in one place.

18 CHAIRPERSON BROOKS-POWERS: Thank you so  
19 much.

20 COMPTROLLER LANDER: Thank you.

21 DEPUTY COMPTROLLER HAMAGIAN: Thank you.

22 COMMITTEE COUNSEL: Thank you. We will  
23 now turn to public testimony. Each panelist will be  
24 given two minutes to speak. For panelists testifying  
25 in-person, please come to the dais as your name is

2 called and wait for your turn to speak. For panelists  
3 who are testifying remotely, once your name is called  
4 a member of our staff will unmute you and the  
5 Sergeant at Arms will give you the go-ahead to begin.  
6 Please wait for the Sergeant to announce that you may  
7 begin before delivering your testimony. During your  
8 testimony, you must remain on topic and maintain  
9 decorum. It is not permitted to record yourself or  
10 the committee during your testimony. A full  
11 recording of this hearing will be available on the  
12 council's website. Our first panel will be Matt  
13 Taylor, Yaaqob Yatzilel, and Matthew Robinson.  
14 Please begin whenever you're ready.

15 UNIDENTIFIED: I'm sorry?

16 COMMITTEE COUNSEL: You can begin  
17 whenever you're ready.

18 UNIDENTIFIED: I'm with the small Black-  
19 owned, woman-owned business, and for three years we  
20 were doing work on city projects, and as of lately  
21 we've been blacklisted from doing work on city  
22 projects despite having contracts to perform the  
23 work. So much for diversity, equity and inclusion.  
24 I have some legislative proposals that I need to  
25 introduce, because the current policies and practices

2 are hurting small Black-owned businesses. They hurt  
3 Black businesses. They hurt businesses and small  
4 businesses in general, but as you know, whatever  
5 affects the general, affects Blacks more severely,  
6 being the most disenfranchised, disliked, and  
7 disrespected group in society. So I would like to  
8 submit my legislative proposals. Thank you.

9 CHAIRPERSON BROOKS-POWERS: Thank you for  
10 that testimony. Can you give some more, I guess,  
11 clarity in terms of what some of the legislation you  
12 would like to see that would be beneficial to  
13 particularly Black businesses?

14 UNIDENTIFIED: one of the things that  
15 could help is that when a subcontractor has a  
16 contract with the general contractor, the City should  
17 not go to that general contractor and tell them they  
18 can't use the subcontractor that they already have a  
19 contract with between the sub and the general  
20 contractor, being that the City doesn't recognize  
21 subcontractors as vendors anyway. The contract that  
22 the City has is with the prime contractor and not the  
23 subcontractor and we've been denied the opportunity  
24 to work on two projects that we've had contracts to  
25 perform the work on.

2 CHAIRPERSON BROOKS-POWERS: And has  
3 explanations given at any time as to why?

4 UNIDENTIFIED: There are no explanations  
5 that are given to us. The agency people, they call  
6 the general contractor. One instance, the Chief  
7 Contracting Officer told the general contractor over  
8 the phone that he couldn't use us for a situation  
9 that he knew didn't exist. He doesn't do anything in  
10 writing. Another proposal that I have is that if a  
11 contractor is denied or approved, that this be placed  
12 in writing, because right now they do it over the  
13 phone, and when you raise it they say there's no  
14 proof that you were even denied.

15 CHAIRPERSON BROOKS-POWERS: Thank you for  
16 that.

17 MATTHEW ROBINSON: Good evening. My name  
18 is Matthew. I'm here to represent my committee, the  
19 Patriot-- True Patriots of America. I want to  
20 preface everything I'm about to say with two words,  
21 that's disparity and equity. Disparity, we're going  
22 to go with there's an usual ratio of men to women in  
23 New York State government for some reason. I'm not  
24 really sure what that's about, but I believe there's  
25 a direct correlation between that and equity as it

2 pertains to the MWBE. I just want to say, you speak  
3 the words equity, but in your beginning speech, your  
4 focus is primarily Black women MWBE. So how could  
5 you ensure me, a Black man, that there is no sort of  
6 feminist collusion in the New York State government  
7 as it pertains to MWBEs.

8 CHAIRPERSON BROOKS-POWERS: Just to be  
9 clear, my opening statement was focused on Black and  
10 Brown businesses. We also took it a little bit more  
11 in terms of a granular level, because when you look  
12 at the data, Black women are the least utilized  
13 businesses out of all. So that was to lift up a  
14 category that is by far the most under-utilized  
15 category, but it does not take away from the fact  
16 that today's focus has been on Black and Brown  
17 businesses, whether male or female.

18 MATTHEW ROBINSON: Thank you for that. I  
19 also wanted to know your position on why not just  
20 eliminated the MWBE and look at everybody as equally  
21 equitable, and just do thorough investigations on  
22 firms that you believe are not-- that do not have the  
23 assets but are sufficient enough to carry out a  
24 contract, if they were deemed sufficient enough to do  
25 so if given the funds?

2 CHAIRPERSON BROOKS-POWERS: So, I just  
3 want to kind of shift how we're doing this. Right  
4 now your seat is to testify and tell us what you  
5 would like, and then I can follow up with questions  
6 to get greater clarity so we can work together. So  
7 is there specific testimony that you'd like to share?  
8 Your mic, sorry?

9 MATTHEW ROBINSON: No, I really just  
10 wanted to know your position on that to be quite  
11 frank.

12 CHAIRPERSON BROOKS-POWERS: Okay, well, I  
13 can answer you on that in terms of the MWBE program.  
14 As we see even by the numbers right now with the MWBE  
15 program, minority businesses, in particular, are  
16 still far too under-utilized. Without this program  
17 that places a requirement for these businesses to  
18 even have a space at the table, it would probably be  
19 even less of that. so right now, we're trying to  
20 create opportunity and to ensure that prime  
21 contractors are providing opportunities to minority  
22 businesses, but the real goal is to be able to scale  
23 them so that they can be prime businesses, so that  
24 they don't always have to necessarily go through the  
25 MWBE program, but they have to get their foot in the

2 door to have that access, and that's what we're  
3 seeking. But thank you for coming here. I would  
4 love to have additional conversations to understand  
5 your perspective a bit better.

6 MATTHEW ROBINSON: Thank you.

7 CHAIRPERSON BROOKS-POWERS: Thank you.

8 COMMITTEE COUNSEL: Thank you. Our next  
9 panel will be Christopher Leon Johnson and Raul  
10 Rivera.

11 CHRISTOPHER LEON JOHNSON: Ready? Hey,  
12 good afternoon. Good afternoon, Chair. Good  
13 afternoon, Chair. My name is Christopher Leon  
14 Johnson. So, that was a great meeting that you had  
15 with the first two panels, the agency and the  
16 comptroller. My testimony is this, you know, as the  
17 Chair of Transportation and Infrastructure and a  
18 Black woman, you have to really start pushing more  
19 for African-American businesses to get these  
20 contracts and be more up in the que to get these  
21 contracts. The issue is that when it comes to MWBE,  
22 the way these organizations get around this is by  
23 using a W, and this usually go to the nonprofits that  
24 are usually ran by whites, and what they do is they  
25 will-- it'll be like a white owner or a Greek owner

2 or-- I'm not-- or a Turkish owner, because Eric Adams  
3 [inaudible] with Turkey, and they'll put a female  
4 owner-- they'll put a female on the paperwork to get  
5 around the MWBE requirements. Now, what that does  
6 is it undermines the application process and it gives  
7 all the organizations-- usually all to the people  
8 that usually donates to these campaigns, [inaudible]  
9 the mayor's office. so what I say what need to start  
10 happening is, yeah, we need to start holding these  
11 nonprofits, but you need to start really looking to  
12 the racial disparities of these nonprofits and start  
13 doing more investigations on the organizations that  
14 you could tell they're ran by white folks and Greeks  
15 and Italians. But what they do is they add-- they  
16 get around the process of adding their wife or their  
17 sister or their sister-in-law to get the contract.  
18 So that needs to start happening a little more. I  
19 know the City Council don't have that much power, but  
20 they need to start making that inquiry with the  
21 Comptroller's Office and the DDC and NYC EDC, and the  
22 DOT, because [inaudible] infrastructure. So that  
23 needs to start happening a little more.

24

25

2 CHAIRPERSON BROOKS-POWERS: Thank you for  
3 your testimony, and as you heard earlier today, that  
4 is a concern in terms of shell businesses.

5 CHRISTOPHER LEON JOHNSON: Yeah.

6 CHAIRPERSON BROOKS-POWERS: And we are  
7 looking to root those out and make sure that, you  
8 know, they are removed from those spaces, but thank  
9 you.

10 CHRISTOPHER LEON JOHNSON: You're  
11 welcome.

12 COMMITTEE COUNSEL: We'll now move on to  
13 remote testimony on Zoom. We'll begin with Jessica  
14 Walker.

15 SERGEANT AT ARMS: You may begin.

16 JESSICA WALKER: Hi, I'm Jessica Walker.  
17 I'm the President of the Manhattan Chamber of  
18 Commerce. We represent the more than 125,000  
19 businesses across Manhattan, both large and small. I  
20 wanted to weigh in today in support of Intro 23,  
21 because we all know the facts too well. MWBEs face  
22 unique hurdles, such as less access to business  
23 education resources, financing, business networks,  
24 just so many disparities that we've all talked about  
25 today. Programs designed to help MWBEs tap into the

2 tremendous buying power of city and state government  
3 are improving, but structural barriers remain.  
4 Moving the needle on this issue would we truly  
5 transformational for many MWBEs in New York. We are  
6 at a pivotal moment where so many good things are  
7 coming together. As you discussed today, Mayor Adams  
8 has made advancements by appointing the first Chief  
9 Diversity Officer who's doing a lot of great, smart  
10 things already. At the state level they just  
11 increased the city limit on discretionary contracts  
12 to \$1.5 million which is higher than it's ever been.  
13 So we have an immense opportunity, but we have to  
14 keep agencies focused on the goal, and this bill does  
15 that. Formally auditing the MWBE activity agency--  
16 sorry-- of each agency not only holds their feet to  
17 the fire, it also provides an opportunity for  
18 learning moments. The auditors can help identify  
19 specific contracts that could have been handled  
20 differently so that they can change their processes  
21 going forward, and that's more than what the  
22 Comptroller's current annual evaluation is capable of  
23 doing. So we do support the legislation. Finally, I  
24 also want to urge the City Council to continue  
25 funding vital programs like Chamber on the Go, and

2 the Five Borough Chamber Alliance which allows  
3 nonprofit organizations to provide the outreach  
4 needed to do MWBE certification and also provide the  
5 funding or at least put organizations and businesses  
6 in touch with funding that they need to successfully  
7 complete projects. So thank you so much for  
8 sponsoring this bill, Chair Brooks-Powers, and for  
9 those already support it. I stand ready to assist  
10 you. Thank you.

11 CHAIRPERSON BROOKS-POWERS: Thank you for  
12 that testimony. I'm especially interested in  
13 knowing, like, if there are any components in terms  
14 of a formal audit that from your perspective should  
15 be included in such a law?

16 JESSICA WALKER: Yeah, so I do think that  
17 obviously, right now we already see the information  
18 through the Comptroller's report in terms of, you  
19 know, who's doing what. What I thought was really  
20 interesting was that the-- a lot of the-- a very  
21 small percentage of contracts are going to  
22 professional services which I thought was really  
23 interesting. So I want to delve more into those  
24 types of contracts and really break that out and  
25 really find out where the gaps are, because it seems

2 like we're a lot stronger on things like construction  
3 where I think, you know, there's a lot of outreach  
4 work, match-making happening, but on different  
5 industries like professional services there's a lot  
6 less of that. So, I want to see more specifics on  
7 that.

8 CHAIRPERSON BROOKS-POWERS: Thank you so  
9 much.

10 COMMITTEE COUNSEL: If we have  
11 inadvertently missed anyone that is registered to  
12 testify today and has yet to have been called, please  
13 use the Zoom hand function if you're testifying  
14 remotely. You will be called in the order that your  
15 hand has been raised. If you are testifying in-  
16 person, please come to the dais. Seeing no one, I  
17 will now turn it over to Chair Brooks-Powers for  
18 closing remarks.

19 CHAIRPERSON BROOKS-POWERS: Thank you.  
20 Thank you to the agencies and to the public for their  
21 contributions to today's conversation. This  
22 conversation is not to separate different races, but  
23 it's in order to ensure that our minority and women-  
24 owned businesses have an opportunity to take part in  
25 public contracts in the City of New York. I look

2 forward to future discussions around this and again,

3 I thank Chair Won for co-chairing today's hearing.

4 And with that, we will consider this meeting

5 adjourned.

6 [gavel]

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1 COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE JOINTLY WITH  
2 COMMITTEE ON CONTRACTS

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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 February 27, 2024