

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONTRACTS

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November 18, 2013
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HELD AT: 250 Broadway - Committee Rm,
14th Fl.

B E F O R E:
DARLENE MEALY
Chairperson

COUNCIL MEMBERS:
ROBERT JACKSON
LETITIA JAMES
MELISSA MARK-VIVERITO
MICHAEL C. NELSON

[gavel]

CHAIRPERSON MEALY: Good morning. My names Darlene Mealy and I am the chair of the New York City Council Committee on Contracts. Today the committee is holding a hearing on proposed intro 1009-A which would require the city to publish an annual breakdown of agency contracts with preferred source vendors. Joining me today are council member Robby Jackson, Mark-Viverito, Letish James, and I would like to thank the, the committee staff Shannon Manigault and Tim Madisol[phonetic]. Preferred source vendors are vendors which the state of New York had selected to receive special consideration when agencies procure goods or services. These vendors include the Department of Correction, correctional services, correctional industries programs, industries for the blind of New York state, and New York state industries for the disable. When agencies need procure, need to procure a good or service they must first check if that good or service is provided by one of the preferred source vendors. If it is and the goods or service meets the quality requirement of the agency state law requires that the agency purchase the

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2 good or service from the preferred vendor as long
3 as the price is no higher than 15 percent above the
4 market price or the lowest priced bid. And I will
5 talk about that. The program is intended to promote
6 self-sufficiency and self-determination of
7 preferred source clients by providing steady demand
8 for their work and products. It is also reduces the
9 cost of government program by providing a source of
10 income for individuals with disabilities who might
11 otherwise have difficulty finding work. And in the
12 case of the correctional industry program subsidies
13 the cost, subsidizes the cost of incarceration.
14 Despite the fact that the city regularly spends
15 tens of millions of dollars annually on preferred
16 source vendors representatives of the preferred
17 source vendors have raised concerns that the city
18 should be doing more and comply with the state law.
19 The bill we are hearing today seeks to address this
20 issue the bill will require the city to publish a
21 detailed annual report which shows both the value
22 of goods and services purchased from the preferred
23 source vendors and the value of goods and services
24 they're offered by preferred source vendors but
25 were procured from non-preferred source vendors.

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2 Given that there is currently no reporting on the
3 city's preferred source vendors procurement this
4 bill will hopefully provide these vendors with the
5 tools to determine where they're might be missing
6 out on opportunities to help ensure that the city
7 is fully compliant with the law. Thank you all for
8 being here. The sponsor of this bill is Oliver
9 Koppell. Now we are ready to hear from our
10 witnesses and we have our first testimony from our,
11 from the Mayor's Office of Contract Services. Ms.
12 Glick. Director Glick you may begin.

13 ANDREA GLICK: Good morning chairperson
14 Mealy and members of the Contracts Committee. It's
15 not on? Oh I'm sorry. I'll start again. Good
16 morning Chairperson Mealy and members of the
17 Contracts Committee. My name is Andrea Glick and I
18 am the city Chief Procurement Officer and Director
19 of the Mayor's Office of Contract Services. I am
20 joined this morning by Ezra Polonsky, Deputy
21 Director for research and IT at MOCS and Carol
22 Green Assistant Commissioner and Agency Chief
23 Contracting Officer at DCAS. On behalf of the
24 administration I would like to thank you for this
25 opportunity to testify today about the city council

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2 proposed bill regarding preferred source
3 procurement reporting.

4 Section 192 of the New York state
5 finance law confers preferred source status on
6 certain vendors in order to advance the state
7 social and economic goals which include providing
8 employment opportunities to disabled and
9 incarcerated residents. Pursuant to this law the
10 New York state Office of General Services created a
11 list of preferred source offerings known as the OGS
12 list. Of all commodities and services that are
13 available for purchase by government agencies from
14 preferred source vendors there are currently four
15 preferred source providers; National Industries for
16 the Blind of New York state also known as the New
17 York state preferred source Program for People Who
18 Are Blind, Corcraft Products of the New York state
19 Department of Correctional Services, New York state
20 Industries for the Disabled Incorporated, and New
21 York state Office of Mental Health. These providers
22 offer employment opportunities for disabled or
23 incarcerated individuals to receive job training,
24 perform meaningful work and a sense of purpose and
25 increase self-sufficiency and self-determination.

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2 As you know proposed intro 1009-A would require
3 Mocks to publish an annual report detailing the
4 city's procurement of preferred source products
5 during the prior fiscal year. The proposed report
6 would include; one the total value of each good or
7 service procured from preferred source vendors, two
8 the total dollar value of each good or service
9 offered by preferred source providers but purchased
10 from vendors not identified as preferred source
11 providers, and three the total dollar value of all
12 goods and service procured by the city that are
13 available from preferred source providers. Although
14 the first proposed item is relatively straight
15 forward the second and third items as described in
16 the proposed legislation exceed MOCS current
17 reporting capabilities. Collecting this data would
18 be difficult for the procuring agencies and would
19 require system changes to be made in collaboration
20 with Pfizer and the controller's office. MOCS can
21 create a report to provide the aggregate dollar
22 value of the city's contracts procured directly
23 from each preferred source vendor. This data is
24 tracked in the city's financial management system
25 or FMS and is readily accessible. But our

1 categorization of the specific goods and services
2 does not directly align to the categorization of
3 goods and services on the OGS list. We are happy to
4 work with the council to identify a meaningful
5 categorization based on the data available to
6 support the reporting requirement. It is much more
7 challenging for MOCS to accurately identify the
8 other data points requested which both include the
9 total dollar value of products available through
10 the preferred source list but purchased through
11 other means. To gather this data MOCS would have to
12 ask agencies to compile and provide this information
13 manually since it is not currently tracked in an
14 electronic system. As we report in the annual
15 procurement indicators the city processes
16 approximately 40 to 50 thousand procurement actions
17 each year and each would need to be reviewed
18 individually to determine if it included any goods
19 or services offered by preferred source vendors. To
20 streamline this effort we recommend modifying the
21 proposed legislation to apply only to procurements
22 that are above the small purchase limit. The city's
23 contracting universe before the small purchase
24 limit contains an extremely large number of
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2 procurements at a relatively small value. 80 per
3 seven, 87 percent of actions and only two percent
4 of dollar value in fiscal year 2013 as compared to
5 the universe of procurements that are above the
6 small purchase limit which are smaller in volume
7 but significantly larger in value. This change to
8 the legislation would result in a much more
9 reliable report which would be far more manageable
10 for agencies to collect. Some background about this
11 process may be helpful for an understanding of this
12 reporting issue. Under state law agencies are
13 required to offer preferred source providers the
14 right of first refusal for all goods and services
15 that they offer to agencies. MOCS and DCAS have
16 worked together to both enforce and reinforce this
17 requirement with agency contracting officers
18 through efforts that I will detail in a few
19 moments. It is therefore likely that the request of
20 report would ultimately show a very small dollar
21 value for purchase of goods and services provided
22 by preferred source vendors but not purchased from
23 them. However there are certain situations where
24 agencies must use other vendors to procure, to
25 procure goods and services otherwise provided by

1 the preferred source vendors. Key examples are as
2 follows. First procurement opportunities may be
3 initially offered to preferred source vendors but
4 declined by these providers. Second at other times
5 the preferred source provider may offer the goods
6 or services in question to the agencies. At prices
7 more than 15 percent above prevailing market prices
8 in which case the city has the statutorily right,
9 authorized right to decline to use the provider.
10 Third the goods or services provided by the
11 preferred source vendor may not meet all the
12 specifications required by the city. Therefore the
13 data that MOCS compiles showing goods or services
14 offer by preferred source providers but purchased
15 from other providers must identify these exceptions
16 so as not to give the false appearance of
17 noncompliance. In accordance with this legislation
18 the revised request for information would ask
19 agencies why purchases were not made through
20 preferred source vendors. Given the opportunity to
21 identify instances in which preferred source
22 providers denied their requests for goods and
23 services using their right of first refusal
24 provisions in the law and the reason, if known, as
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1 to why the preferred source provider did not want
2 to pursue the particular contracting opportunity
3 that was being made available. Or if the preferred
4 source vendor's cost was more than 15 percent above
5 prevailing market prices. We are also exploring
6 ways that we might be able to modify our
7 computerized system to capture this information.
8 The reporting requirement as it is currently
9 written also refers to all procurements. We
10 recommend that the bill should instead apply to all
11 contracting actions where the primary purpose of
12 the contract is to procure goods and services
13 directly available from those preferred source
14 providers. The resulting report would be more
15 narrowly tailored to the council's goals when
16 moving unrelated contracting actions. For example
17 the city has contracts for human services in which
18 vendors provide services such as day care, meals
19 for the aging, and shelter to the homeless. Vendors
20 operate sites that provide an array of services and
21 in doing so may also have on site security services
22 or may purchase cleaning products to maintain their
23 site. These purchases are generally for small
24 amounts of money relative the total contract value
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2 which would be very difficult to track and are not
3 the primary purpose of the procurement. I would
4 like to mention some steps that the city has taken
5 to ensure that agencies purchase all goods and
6 services that are available on the OGS list from
7 preferred source vendors. The Department of
8 Citywide Administrative Services holds multiyear
9 commodity requirements contracts with three of the
10 four preferred source vendors. Our National
11 Institute for the Blind Corcraft and NYCID. The
12 city does not hold a contract with BIO-MH because
13 BIO-MH has only two commodities approved as
14 preferred source items on a statewide basis. Oak
15 moldings and frames for posters, prints, and
16 original artwork according to the OGS list. BIO-MH
17 primarily serves the New York state Office of
18 Mental Health. Because of the nature of these
19 requirements contracts city agencies can quickly and
20 easily make purchases off of these contracts to
21 suit their needs as they arise. Utilization of
22 these contracts has arisen over the last few years
23 more than doubling from 14.5 million in 2010 to
24 29.6 million in 2013. Some agencies also hold their
25 own contracts with preferred source vendors for

1 services they frequently procure. For example the
2 Department of Finance holds the contract with NYCID
3 for imaging service for parking summonses and the
4 Department of Probation holds a contract with NYCID
5 for drug testing kits. In 2013 the city awarded an
6 additional 25 million to preferred source vendors
7 through more than 30 agency contract actions. In
8 addition during fiscal year 2013 DCAS began a pilot
9 program called punch out ordering which allows the
10 city to capture line item detail for requirement
11 contract catalog purchases directly in FMS. This
12 new system links FMS users to vendors outside
13 websites to make purchases. The users are then
14 automatically redirected back to FMS when they are
15 finished selecting the items and services they wish
16 to procure. DCAS plans to expand punch out
17 technology to preferred source contacts soon and
18 has already reached out to National Industries for
19 the Blind to explore this opportunity. Once
20 agencies can use the technology to buy products and
21 services from preferred source providers we will be
22 able to capture line item detail for these
23 requirement contract purchases in FMS. One success
24 I'd like to highlight is our collaborative
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1 relationship with National Industries for the
2 Blind. In the past year they have made
3 informational presentations at two separate monthly
4 meetings held by MOCS for all agency chief
5 contracting officers and their staff members. City
6 purchasing personnel also went on a site visit to
7 National Institute for the Blind's facilities last
8 year in order to better understand the services
9 that this vendor provides. These efforts have
10 resulted in numerous city agencies making a large
11 number of purchases from this vendor from 3.8
12 million in 2010 to 14 million in 2013, an increase
13 of more than 200 percent. In fiscal year 2013 17
14 different city agencies executed purchase orders
15 against DCAS requirements contract, against DCAS's
16 requirements contract with National Institute for
17 the Blind. NYCID also presented at one of these
18 meetings about two years ago and we are working
19 with them to schedule a return visit. We hope to
20 host Corcraft at an upcoming meeting as well.
21 Finally I would like to suggest an additional
22 legislative amendment that would expedite city
23 agency purchases from preferred source vendors.
24 Pursuant to city charter section 312A which was
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2 amended by local law 63 of 2011 agencies must first
3 perform an employee displacement analysis prior to
4 releasing a solicitation which includes agreeing on
5 pricing with a preferred source provider or
6 entering into a contract renewal or extension. This
7 requirement includes preferred source procurements.
8 Agencies must also report all perspective
9 contracting actions on an annual contracting plan
10 as required by charter section 312A8. If an agency
11 wants to move forward with a preferred source
12 procurement that was not anticipated when the
13 annual contracting plan and schedule was prepared
14 MOCS has to publish a notice in the city record and
15 on the MOCS website. And the agency has to wait 60
16 days to enter into the procurement. This
17 requirement makes it extremely difficult for
18 agencies to make purchases that they did not
19 foresee well in advance. Government to government
20 purchases, emergency procurements, contracts for
21 legal or consulting services in support of current
22 or anticipated litigation, and contracts for
23 investigative or confidential services are exempt
24 from the requirements of charter section 312A
25 generally. And specifically the annual contracting

1 plan and schedule requirements set forth in
2 paragraph eight enabling those procurements to move
3 more expeditiously. We recommend that the city
4 charter be amended to include preferred source
5 procurements among the list of exempted procurement
6 types under this particular provision. Doing so
7 would make it easier for agencies to award
8 contracts to preferred source vendors facilitating
9 the ease of use of these contracts. As you can see
10 the administration shows your concern about using
11 preferred source vendors and is continually working
12 to increase the city's purchasing from the New York
13 state OGS list of preferred source offering
14 wherever appropriate. We believe that the actions
15 that the city has taken already along with the
16 ideas I have proposed here today will help meet
17 these shared goals. Finally we would welcome the
18 opportunity to work with council staff to make some
19 technical changes to the bill that we believe are
20 necessary to clarify the goals and purpose of this
21 proposed legislation. I'm now available to answer
22 any questions you have. Thanks.

24 CHAIRPERSON MEALY: Thank you and I'm
25 glad to see you did some upgrading. It sounds good.

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2 But I will let now the prime sponsor Oliver Koppell
3 make his statements and ask some questions also.

4 COUNCIL MEMBER KOPPELL: Thank you very
5 much Madam Chair and I apologize to you and to
6 members for being late. There was a terrible, I
7 don't usually drive in and that's the reason for
8 that is what happened today, there was a terrible
9 traffic jam on the west side highway which you may
10 have heard on the radio. And that is what delayed
11 me but I'm glad that I could be here and appreciate
12 the committee hearing this bill at this somewhat
13 late time in, in our, in our term. This bill, let,
14 let me briefly state that obviously from the
15 statement of the, of the city which I appreciate
16 this bill is intended to encourage city agencies to
17 enter into these preferred source contracts with
18 the agencies that employ, that employ the disabled.
19 And these preferred source contracts generate
20 millions in federal tax and state and local tax
21 revenues and also reduces the obligations that we
22 have to the disabled by providing them with
23 employment. So that, these are important contracts
24 from both from the point of view of producing
25 revenue and from the point of view of reducing

1 dependency and I think that's very important. While
2 it's encouraging to hear the statement of the city
3 which indicates efforts have been made to increase
4 the number of preferred source contracts I, I look
5 forward to others testifying and I believe others
6 will that the city has not been doing as much as it
7 should be doing in this area. That's not to say
8 that the efforts that you mentioned and that exists
9 are not good. All this bill does is to try and
10 increase reporting because currently there is a
11 dirth[phonetic] of reporting of preferred source
12 contracts for contracts under a substantial sum.
13 And there may be a lot of small contracts that are
14 entered into but a lot of the providers feel that
15 they have been overlook and that if we have proper
16 reporting it will indicate that there are many
17 opportunities that are being missed. And that's the
18 purpose of the bill. Now if it needs some technical
19 change I hope that the staff of the committee and
20 certainly I'm willing to work on any technical
21 changes. But I would seriously resist efforts made
22 to avoid reporting on smaller contracts even if
23 that requires as you indicated in your statement
24 some change in, in computerization or scheduling of
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2 these contracts because it's the smaller contracts
3 that I think are being overlooked. So I would
4 resist changes except perhaps changes that
5 eliminate very very minor contracts but any
6 substantial preferred source contracts that exist
7 should be scheduled and I think the legislation
8 requires that. So I look forward to working in the
9 next weeks, see if we can get something done Madam
10 Chair. And the only thing I would, I would say or
11 question that I would ask is whether you think that
12 the city's efforts in allocating these preferred
13 source contracts could be improved. Could we do
14 more?

15 ANDREA GLICK: Well as I said in my
16 testimony we have been working to increase the
17 opportunities that, to, to let agencies know that
18 they have to follow the state finance law and we're
19 educating them on the availability of these
20 vendors. And we've been inviting them to our agency
21 chief contracting officer meetings. And we did go
22 on that site visit which I did attend as well. And
23 I thought it was terrific and I learned a lot
24 myself. So you know we just want to continue to do
25 that. So we want to, we've reached out to, we're

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2 going to reach out to CorCraft and we've reached
3 out NYCID because they have come before but that
4 was a while ago and we want them to come back and
5 New York Industries for the Disabled has, for the
6 Blind has come twice. So you know we're, we're
7 trying to move forward and you know there are 40
8 agency chief contracting officers and we're trying
9 to make sure that they're all in compliance and
10 they're all aware of what they have to do.

11 COUNCIL MEMBER KOPPELL: Well I again I
12 appreciate what you've been doing. We all have been
13 around for it, well not all, everyone but the
14 administration's been around for 12 years, or
15 almost 12 years and I think that we're kind of
16 initiating new efforts more recently suggests that
17 perhaps we should have started earlier. And I think
18 this, this legislation would be a good thing for
19 the new administration to start implementing. So
20 the fact that you may be doing more now which I
21 appreciate doesn't in my opinion change the need
22 to, to do this, to do this bill. Thank you.

23 CHAIRPERSON MEALY: Thank you Oliver
24 Koppell. Just to piggyback on his question how can
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2 compliance be improved and information made more
3 prominent to the agencies.

4 CAROL GREEN: Excuse me before
5 responding to that question I'd like to say my
6 name... [interpose]

7 CHAIRPERSON MEALY: But you need to say
8 you're name please.

9 CAROL GREEN: I was about to do that so
10 thank you.

11 CHAIRPERSON MEALY: Okay. Okay.

12 [laughter]

13 CAROL GREEN: My name is Carol Green I'm
14 the Assistant Commissioner and Agency Chief
15 Contracting Officer at DCAS. And I did want to
16 append to Ms. Glick's original statement that DCAS
17 is currently working on a requirements contract for
18 temporary services with the New York state
19 Industries for the Disabled. And we anticipate
20 having that contract ready early in calendar year
21 2014.

22 CHAIRPERSON MEALY: Okay. So do you incur
23 any compliance? How do you address any agency is
24 not in compliance?

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2 ANDREA GLICK: Well I don't know of any
3 off hand at the moment. But in the event that an
4 agency was out of compliance and someone called us
5 and told us we would call the agency. We would tell
6 them that you know they didn't give whichever
7 preferred source provider the right of first
8 refusal as they had and we would have them start
9 the procurement over again.

10 CHAIRPERSON MEALY: I'm sorry.

11 ANDREA GLICK: Okay. In the even that an
12 agency was not in compliance with the state finance
13 law and did not give the preferred source vendor
14 the right of first refusal as they should have and
15 we were aware of it then we would call the agency
16 and we would ask them why did they give the
17 preferred source provider the right of first
18 refusal. If they did not we would ask them to start
19 over again. Now when our office gets let's say a
20 temp service's contract hypothetically... [interpose]

21 CHAIRPERSON MEALY: We can't hear you.

22 ANDREA GLICK: I'm sorry. If the
23 hypothetically we got a tem service's contract in
24 our office for review and approval and it was not
25 with preferred source providers we would ask why.

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CHAIRPERSON MEALY: So how... [interpose]

ANDREA GLICK: So that's how we would make sure that they were in compliance and as Carol just said, Carol Green from DCAS, we have been working for a while with NYCID to do a temp service's contract which will be phenomenal for the city agencies as well as the provider.

CHAIRPERSON MEALY: So do, MOCS still have a tracking system.

ANDREA GLICK: Right but we're not tracking preferred source providers right now.

CHAIRPERSON MEALY: May I ask why?

ANDREA GLICK: We hadn't been but now that... [interpose]

CHAIRPERSON MEALY: With this, with the 21st Century... [interpose]

ANDREA GLICK: Well... [interpose]

CHAIRPERSON MEALY: I, and I, and yeah...

ANDREA GLICK: We have not been tracking specifically separately contracts with NICID or Industries for the Blind or Corcraft.

CHAIRPERSON MEALY: And I, I think about in your, in your statement y'all had said that y'all provide such care shelter... Together this data

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2 MOCS would have to ask agencies to comply and
3 provide this information manually since it is not
4 currently tracked in the electronic system. With
5 this city is all electronic. Everybody is on the
6 information system are we saying our agencies are
7 not up to date to the 21st Century.

8 ANDREA GLICK: No we're not saying that.
9 We're not saying, we're saying that there's not
10 like a separate category in the computer system now
11 to track it, the individual commodity data
12 separately.

13 CHAIRPERSON MEALY: And no one in this
14 city, in our city agencies are not electronically
15 tracking or even if you do have to manually put it
16 in why not have this tracking system put in that we
17 could get accurate data on who, what, when, and
18 where? How can we say that we MOCS looking out for
19 contracts when no one is really tracking?

20 ANDREA GLICK: We are tracking data. We
21 aren't tracking the specific commodity detail for
22 the preferred source provider. We can provide and
23 we do know which agencies do procure from the
24 specific preferred source provider. We do not have
25 commodity detail data. And as I said in my

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2 testimony is that we want to work on a punch out
3 which is analogues to like a catalog type scenario
4 where we would have that level of detail.

5 CHAIRPERSON MEALY: Okay we working on
6 it now?

7 ANDREA GLICK: Yes. I'm going to turn it
8 over to my colleague. I know he had some questions.
9 Robby Jackson.

10 COUNCIL MEMBER JACKSON: Thank you Madam
11 Chair and Ms. Glick your response, your answer is
12 totally unacceptable! Let me just say that loud and
13 clear. Again, totally unacceptable. This is 2014
14 meaning in one month. You know to hear you know you
15 saying.. Your response is, is totally unacceptable.
16 And in fact you know if I were to give you a letter
17 grade like the city gives a letter grades for the
18 restaurant you would get a D or an F because you're
19 failing the system by not monitoring appropriately.
20 Now what do I mean by that? You should know. What,
21 what every agency procures as far as under, under
22 local section 162 I believe in your opening
23 statement you said 192 you meant 162. Yeah you
24 meant 162 we understood that. But you should know
25 and the DCAS, the DCAS, the assistant or director

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2 or assistant commissioner you said that you're in
3 the process of putting together a temporary
4 agreement or... Totally unacceptable! What? Respond.
5 You said you're putting together a contract for
6 temporary services. Isn't that correct?

7 CAROL GREEN: Correct.

8 COUNCIL MEMBER JACKSON: You should have
9 had it decades ago, decades ago!

10 ANDREA GLICK: We have contract with
11 NYCID for temporary services by individual agency.
12 What DCAS is attempting to do is to aggregate that
13 and put it in as a requirements contract so that
14 agencies don't have to individually go to NYCID for
15 a separate agreement. It's to facilitate the
16 process as opposed to separating it so that every
17 agency has to enter into their own agreement with
18 NYCID. It will definitely be easier for them and
19 easier for us. And actually I think that
20 utilization with NYCID themselves for these
21 services will go up tremendously. Because sometimes
22 agencies do small purchases for temp services for a
23 small job and then they do their own small
24 purchase. Instead they will go to the DCAS

1 requirements contract and we will make sure that
2 everything is done through NYCID appropriately.

3 COUNCIL MEMBER JACKSON: Maybe quicker?
4 Is that correct?

5 ANDREA GLICK: Absolutely because to do
6 a release order technically with a DCAS
7 requirements contract is much quicker than each
8 individual agency doing their own individual
9 contract because there has to be separate
10 negotiations.

11 COUNCIL MEMBER JACKSON: Okay so...
12 [interpose]

13 ANDREA GLICK: The negotiations, let me
14 finish... [interpose]

15 COUNCIL MEMBER JACKSON: Sure go...
16 [interpose]

17 ANDREA GLICK: ...and the price had, will
18 have already been predetermined and agreed to by
19 state OGS which is the way the process works. And
20 it will already be in writing and so when, if you
21 wanted to do a contract for temp services you would
22 automatically go to the DCAS requirements contract
23 and do a release order which is far less paperwork
24 then having to sit down and negotiate individually
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2 item by item on the specific requirements of a
3 contract. It will be much faster and that's...
4 [interpose]

5 COUNCIL MEMBER JACKSON: Yeah.

6 ANDREA GLICK: ...what we've been working
7 with. And I actually have been working with DCAS on
8 this from some time and there have been some
9 negotiation sticking points with NYCID themselves.
10 The city has been ready to do this for about I
11 don't know a couple of years but it, it took a
12 learning curve for NYCID to be comfortable with
13 this kind of arrangement on a services contract.

14 COUNCIL MEMBER JACKSON: Okay so what
15 I'm hearing... [interpose]

16 ANDREA GLICK: So we are... [interpose]

17 COUNCIL MEMBER JACKSON: Mm-hmm.

18 ANDREA GLICK: working on it. So I don't
19 appreciate your saying that we're not trying
20 because, because we are.

21 COUNCIL MEMBER JACKSON: I didn't say,...
22 [interpose]

23 ANDREA GLICK: Because I, okay.

24 COUNCIL MEMBER JACKSON: ...I didn't say
25 you weren't trying.

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ANDREA GLICK: Oh.

COUNCIL MEMBER JACKSON: I said you're not, you're not, you're not doing very well...
[interpose]

ANDREA GLICK: Well the other thing is...
[interpose]

COUNCIL MEMBER JACKSON: ...in my opinion.

ANDREA GLICK: ...is that... Okay you can have your opinion.

COUNCIL MEMBER JACKSON: Of course I know.

ANDREA GLICK: I know. No you can have your opinion. I tend to disagree. But we do track and we have been tracking and I don't know whether you've read our indicators report but there are hundreds of pages of data on specific procurement actions. We had never tracked and no administration has ever tracked. Specific, specifically procurement source provider data individually. We said, and I did testify, that we'd be more than willing to do that since this is an avenue that you are interested in us tracking and that we can do. We can do on an aggregated basis. We are trying to determine on an individual commodity code basis how

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2 we can ascertain that data and we said that we
3 would also work with you to do that. We have to
4 work with Pfizer who holds the FMS database and
5 coding and we have to work with them. And we did
6 say we would do that but we hadn't. Nobody was ever
7 interested in the individual line item data by
8 commodity. And again DCAS has been thinking about
9 this and that's why they're working on what they
10 call their punch out contracts so that they could
11 get that data.

12 COUNCIL MEMBER JACKSON: Okay.

13 ANDREA GLICK: Okay.

14 COUNCIL MEMBER JACKSON: So on your last
15 report, is it, how is broken down? About you know
16 under 160, 162? How's your last report broken down?
17 Is it broken down by aggregate information?

18 EZRA POLONSKY: Hi council member. I'm
19 Ezra Polonsky from the Mayor's Office of Contract
20 Services. I'm responsible for their, most of the
21 reporting.

22 COUNCIL MEMBER JACKSON: Okay.

23 EZRA POLONSKY: So I can speak to that
24 [cassation]

25

1
2 COUNCIL MEMBER JACKSON: Okay is it
3 broken down by aggregate data?

4 EZRA POLONSKY: As we've said there
5 hasn't been interest in the past in this specific
6 cassation[phonetic] so we haven't reported on this
7 specific cassation[phonetic] in the past. However
8 in the last couple of days in response to this
9 proposed bill I, we took a look and we can tell you
10 very easily that in 2013 the city spent over 300
11 million dollars with the preferred source
12 standards. And that's a very easy number. We can
13 produce that with, without a problem. And we can
14 easily break that down by what we spent with each
15 particular vendor. And we can break it down by
16 agency, by you know by a number of other factors.

17 COUNCIL MEMBER JACKSON: Mm-hmm.

18 EZRA POLONSKY: The slight point of
19 confusion where we'd like to work with the staff to
20 understand the best way to do this is that you guys
21 are looking at the different types of goods and
22 services that are offered by the preferred source
23 providers. And the way they're, they break it down
24 on their website which is very reasonable way to
25 look at it but is not how our internal systems

1 track it. We track by other kinds of codings which
2 are probably in an equivalent level of detail in
3 many cases. In some cases things are lumped
4 together, in some cases they're more finely
5 divided. But if we were going to do this report as
6 I think we probably should we would, we would have
7 to work together to find an appropriate way to
8 produce the breakdown of those. That's without a
9 question something that we can and should and will
10 do. In fact I would think that we'll probably
11 produce something of interest to you in the next
12 annual report which is some months off. But we will
13 produce it regardless of where this bill goes. The
14 other question that I think we have a little bit
15 more difficulty with is trying to quantify the
16 goods and services that we might have procured that
17 are offered by the preferred source providers but
18 were not procured from them. Frankly we have no
19 reason to believe that any of our agencies are
20 violating the law. So we fully anticipate that if
21 there are any goods or services that are provided
22 by the preferred source vendors but are not being
23 procured from them there is a good reason why
24 they're not being procured from them and we're
25

1
2 absolutely as interested as you are in quantifying
3 that question.

4 COUNCIL MEMBER JACKSON: Do you think
5 that's a good reason or is it, is it because it may
6 be too time consuming for the agency or they don't
7 really want to go through the process? Do you know
8 what I mean? I don't, I don't necessarily buy that
9 there's a, a good reason.

10 EZRA POLONSKY: I... [interpose]

11 COUNCIL MEMBER JACKSON: Because the law
12 said that they're supposed to procure it...
13 [interpose]

14 EZRA POLONSKY: Yes.

15 COUNCIL MEMBER JACKSON: ...up to 15
16 percent of the, of whatever the rate is...
17 [interpose]

18 EZRA POLONSKY: Mm-hmm.

19 COUNCIL MEMBER JACKSON: ...or the lease
20 amount. And I understand that from a process point
21 of view that it may take a little bit more time for
22 an agency contracting officer to procure this. It
23 may take a little bit more time but like the
24 process. But it has to be done. It's the law.

25 EZRA POLONSKY: Absolutely.

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2 COUNCIL MEMBER JACKSON: And I say that
3 to you, I say that to you and the three of you as
4 representative... I was on the school board in, in
5 Northern Manhattan and everything has to be done in
6 English and Spanish and even translating. And let
7 me tell you as you know it takes twice as long but
8 it must be done in order to ensure that we make
9 sure that the people understand what's being said.
10 It takes longer. My newsletter that goes out right
11 now is in English and Spanish every time it goes
12 out. It takes a lot more time to do it but it must
13 be done. So I don't necessarily buy that all of the
14 responses was for good reason. Let me just say that
15 to you. Some of them probably yes but I don't buy
16 the fact that all of them were. Especially when,
17 when the law says, the law says that goods and
18 services ranging from supplies, furniture, personal
19 care items, and food, to data entries, to
20 maintenance, and janitorial work, mail processing,
21 and call center staff, all of that is part of the
22 requirements under the law. I just don't buy it.
23 And we're going to hear from the people involved
24 who run these organizations. And Ms., Ms. Glick I,
25 I, I hear what you're saying about you know you've,

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2 you meaning the Mayor's Office of Contract along
3 with DCAS has been involved in trying to negotiate
4 in several years and somewhat that you've been
5 ready but it's, it, at least from your response I
6 got the impression that some of the organizations
7 were not as ready as the city was in trying to
8 enter into agreement and that's why it had not been
9 done as of yet and is taking time to do.

10 ANDREA GLICK: That is true and we want
11 them to expedite their review and negotiation
12 process so we can enter into that agreement.

13 COUNCIL MEMBER JACKSON: Let me just ask
14 a couple of questions. So from a process point of
15 view if I'm an agency, I'm Financial Services, or
16 Finance, or Housing, under all of these goods and
17 services, supplies, furniture, personal care items,
18 food, data entry, maintenance, and janitorial work,
19 mail processing, call center I'm supposed to make
20 sure that we can do business with New York state
21 Individuals with Disabilities and other... Under one,
22 section 162 of the finance law I'm supposed to make
23 sure that we can do business with those
24 organizations that are you know that are eligible
25

1
2 to do business before I go out and do a regular
3 contract. Is that what I'm supposed to do?

4 ANDREA GLICK: First you're supposed to
5 look on the, well the website has the catalog of
6 all the goods and services that are available.

7 COUNCIL MEMBER JACKSON: Okay. Under,
8 under section 162?

9 ANDREA GLICK: Correct.

10 COUNCIL MEMBER JACKSON: Okay.

11 ANDREA GLICK: Have you seen the
12 catalog? It's online.

13 COUNCIL MEMBER JACKSON: Nope,

14 ANDREA GLICK: Okay.

15 COUNCIL MEMBER JACKSON: I have not.

16 ANDREA GLICK: You can look at, there's
17 a way to get to the... [interpose]

18 COUNCIL MEMBER JACKSON: Okay.

19 ANDREA GLICK: ...catalog.

20 COUNCIL MEMBER JACKSON: And so...
21 [interpose]

22 ANDREA GLICK: It's so easy. You look at
23 the catalog, you see if they off the goods that you
24 think that you need... [interpose]

25 COUNCIL MEMBER JACKSON: Okay.

1
2 ANDREA GLICK: ...and if you're not sure
3 of the description that's listed in the catalog
4 then you call up and you ask.

5 COUNCIL MEMBER JACKSON: Okay.

6 ANDREA GLICK: Yeah.

7 COUNCIL MEMBER JACKSON: Okay. And who,
8 who've, who monitors whether or not they're doing
9 that? Is that the Mayor's Office of Contracts or
10 someone else?

11 ANDREA GLICK: When the procurements
12 that we review come to us we see, remember the
13 goods, the majority of the goods that are procured
14 are procured through city requirements contracts.
15 So they should look first at a city requirement
16 contract. And then if there's nothing, because
17 that's by charter, and if it's not available there
18 then they would look and see if the item is
19 available on one of these preferred source
20 providers contracts.

21 COUNCIL MEMBER JACKSON: So, so the
22 Mayor's Office of Contracts monitors that if it
23 comes to them?

24

25

1
2 ANDREA GLICK: It comes to us over
3 certain dollar amounts. Not for goods contracts
4 remember?

5 COUNCIL MEMBER JACKSON: Okay. So...
6 [interpose]

7 ANDREA GLICK: It's a different process.

8 COUNCIL MEMBER JACKSON: ...what's the
9 dollar amount? I'm sorry I'm, I'm not, I don't work
10 for the Mayor's Office of Contract. I don't know
11 and I apologize but somebody please tell me.

12 EZRA POLONSKY: Over 100 thousand
13 dollars in general.

14 COUNCIL MEMBER JACKSON: Over a hundred..
15 [interpose]

16 ANDREA GLICK: That's for services.

17 COUNCIL MEMBER JACKSON: Okay. And what
18 about, so what about for goods?

19 ANDREA GLICK: Goods as part of the
20 charter are procured through the Department of
21 Citywide Administrative Services.

22 COUNCIL MEMBER JACKSON: Okay so if I,
23 if I'm HPD and I wanted to procure some goods.

24 ANDREA GLICK: Like 500 thousand
25 dollars...

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[background comments, crosstalk]

ANDREA GLICK: Office furniture...

[crosstalk]

ANDREA GLICK: Well office furniture if we use that there is a citywide requirements contract that they should be using first.

COUNCIL MEMBER JACKSON: And that goes through DCAS?

ANDREA GLICK: That would go through DCAS correct.

COUNCIL MEMBER JACKSON: But it had to minimum be 500 thousand?

ANDREA GLICK: No I just made that number up and I ran with it.

COUNCIL MEMBER JACKSON: Oh okay. Is, is there a minimum amount? I'm asking the question.

ANDREA GLICK: 100 thousand.

COUNCIL MEMBER JACKSON: Is it the same? But basically... [interpose]

ANDREA GLICK: 100... [interpose]

COUNCIL MEMBER JACKSON: ...about 100 thousand?

ANDREA GLICK: ...thousand threshold... [interpose]

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COUNCIL MEMBER JACKSON: Threshold.

ANDREA GLICK: ...goes over to DCAS
correct.

COUNCIL MEMBER JACKSON: And what about
data entry and janitorial work? Same thing? 100
thousand dollars?

ANDREA GLICK: Janitorial is a service
so that would not be provided by DCAS.

COUNCIL MEMBER JACKSON: Okay.

ANDREA GLICK: Unless they did set up a
requirements contract for janitorial services.

COUNCIL MEMBER JACKSON: Okay so if they
can...

ANDREA GLICK: Because they are
permitted to do that.

COUNCIL MEMBER JACKSON: So if they, if
that, if DCAS does not have a janitorial
requirements contract then me, if I'm the agency
HPD or another agency then I would have to set that
up myself. Is that correct?

ANDREA GLICK: Correct.

COUNCIL MEMBER JACKSON: Okay. And I
would have to first look and see under section 162
whether or not for example in this book or on the

1
2 line whether or not janitorial service is being
3 provided by one of the sources that's listed. Is
4 that correct?

5 ANDREA GLICK: Correct. And... [interpose]

6 COUNCIL MEMBER JACKSON: And if...
7 [interpose]

8 ANDREA GLICK: ...then you'd... [interpose]

9 COUNCIL MEMBER JACKSON: ...if...
10 [interpose]

11 ANDREA GLICK: ...give... [interpose]

12 COUNCIL MEMBER JACKSON: ...if...
13 [interpose]

14 ANDREA GLICK: ...them the right of first
15 refusal assuming that it meets the form and
16 function of whatever it is that you needed.

17 COUNCIL MEMBER JACKSON: And, and who is
18 making sure that that is being done with everything
19 that they do, that I'm doing? Who's monitoring me?

20 ANDREA GLICK: When we get the contract
21 at our office... [interpose]

22 COUNCIL MEMBER JACKSON: Okay.

23 ANDREA GLICK: ...for let's say it was
24 some other provider that was not one of those. We

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2 would ask. How come you did not give the right of
3 first refusal to NYCID?

4 COUNCIL MEMBER JACKSON: Okay. And so is
5 that a verbal communication or is that in writing
6 by email or what?

7 ANDREA GLICK: We have biweekly meetings
8 with majority of the agencies.

9 COUNCIL MEMBER JACKSON: Okay.

10 ANDREA GLICK: So it could be in person,
11 it could be on the phone, it might be by an email.

12 COUNCIL MEMBER JACKSON: What percentage
13 of, of contracts that come to the Mayor's Office of
14 Contracts where an agency was supposed to first
15 look under section 162 to ensure whether or not an
16 organization can provide the goods or services or
17 supplies in which they are sending it to you
18 basically not doing business with one of those
19 organizations. What percentage do you reject, have
20 you rejected in the past year, five percent, ten
21 percent, and... [interpose]

22 ANDREA GLICK: I don't know.

23 COUNCIL MEMBER JACKSON: ...what's the
24 total number?

25 ANDREA GLICK: I don't know.

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2 COUNCIL MEMBER JACKSON: Do you track
3 that?

4 ANDREA GLICK: No we do not.

5 COUNCIL MEMBER JACKSON: Why not?

6 ANDREA GLICK: I guess we don't. I don't
7 know.

8 COUNCIL MEMBER JACKSON: What, no, but
9 no not, it's not you guess you don't it's...

10 [interpose]

11 ANDREA GLICK: We don't. I'm telling you
12 the truth. We do not track it.

13 COUNCIL MEMBER JACKSON: Why not though?

14 ANDREA GLICK: I don't know but you
15 don't have to shout.

16 COUNCIL MEMBER JACKSON: Well, but you,
17 you as of the, you as the head of the Mayor's
18 Office of Contract, you don't track it? You should
19 track it.

20 ANDREA GLICK: We have not been reported
21 on it.

22 COUNCIL MEMBER JACKSON: And if I was
23 the mayor you would track it today. I'm telling you
24 it's, there's no reason for you not to track it. So
25 you, you can't even answer my question of how many,

1
2 what percentage or what numbers you reject. Who are
3 you reporting to? Are you reporting to the mayor?
4 How many have, if you don't track how many you have
5 rejected tell me then you track how many that
6 you've accepted. Do you track how many that you
7 agree with the agency?

8 ANDREA GLICK: We could give you the
9 number of contracts that we have procured with
10 those specific organizations. That we could track.

11 COUNCIL MEMBER JACKSON: But you don't
12 track to what you reject by agency?

13 ANDREA GLICK: We could track, we have
14 the data on which agencies did procurements with
15 these specific organizations.

16 COUNCIL MEMBER JACKSON: That's not my
17 question because I, I will, because if, if I'm
18 auditing the Mayor's Office of Contract as an
19 investigator, and I've investigated for it for five
20 years for the state of New York before coming to
21 the city council, before working for a labor union,
22 I would want to see those that you've accepted and
23 those that you have rejected. Because you know if
24 you've talked to our agencies and you question them

1
2 as to why they don't have a contract with NYCID,
3 New York state... [interpose]

4 ANDREA GLICK: Industries for the
5 Disabled.

6 COUNCIL MEMBER JACKSON: Yeah for the
7 disabled, individual... I will want to know and look
8 at that particular contract as to whether or not
9 they met the requirements under the law. And if
10 they did not in my opinion it's your job to tell
11 them no we're not approving this and that you got
12 to go back and do it with them. And, and it's
13 appropriate to ask you, as a, as a Mayor's Office
14 of Contract how many have you rejected and the
15 reasons why. And is it a problem with one specific
16 agency, or there's two or three agencies where it's
17 a problem. And then what have you done to insure
18 that they be in compliance with the law. To me
19 that's pretty simple. And then there's not being
20 done the Chief Procurement Officer Ms. Glick I
21 strongly recommend that it be started immediately.
22 So my question to you is it's not being done right
23 now. Will you start to do that immediately.

24 ANDREA GLICK: As I said in my
25 testimony, if you had listened, we are going to be

1
2 working with the council to develop reporting so
3 that we can track this information.

4 COUNCIL MEMBER JACKSON: Ms., you know
5 as the Director of the Mayor's Office of Contracts
6 you don't need to, you don't need the city council
7 to start tracking that. That's easy, that's very
8 easy. It's not complicated at all, not complicated.
9 So you don't need to work with the city council.
10 Just do it. Now you see one of the, one of the
11 things is that as a legislator what I'm attempting
12 to do is to communicate loud and clear that you
13 could start doing that today. Be, and, and the term
14 ends 12/31 of, of Mayor Bloomberg and you may not
15 reject anyone. But you may reject 10 people or 10
16 agencies and for, for specific whether it's goods
17 and services, or whether it's furniture or personal
18 care items that's appropriate to track and to
19 catalog that. And, and let me just say this to you
20 Ms. Glick as the Director of the Mayor's Office of
21 Contract and the Chief, city's Chief Procurement
22 Officer I am not pleased with your responses
23 overall regarding this particular matter and you're
24 saying you know don't raise my voice, don't yell?

1
2 Well let me tell you, you leave a lot to be desired
3 and that's why I raise my voice. Thank you.

4 CHAIRPERSON MEALY: Thank you Jackson
5 and that's a, a lot of stuff that we sitting here
6 thinking about. One thing I said in any of these
7 sessions that you have, you just have one with just
8 the blind. Y'all just had a session right? And no
9 one came up with any sessions to find out how would
10 you track who getting the jobs and who are not?
11 Something is wrong with that? No one thought of
12 that at all? No city agencies thought of that in
13 y'all brain session that y'all been having
14 quarterly right?

15 ANDREA GLICK: The purpose of the
16 meetings was to make sure that the agencies what
17 types of goods were available... [interpose]

18 CHAIRPERSON MEALY: But how would you,
19 and this another thing Mr. Izreal[phonetic] said.
20 How can you assume that agencies are in compliance
21 with the law if you are not tracking it? How would
22 anyone know? These are three big city agencies who
23 supposed to be watching the storehouse. If you
24 don't know who, what, when, and where how, how are
25 we helping this city? Who is watching the

1 storehouse if no one's tracking this Mr.

2 Izreal[phonetic]?

3 EZRA POLONSKY: Hi.

4 CHAIRPERSON MEALY: Izra[phontic].

5 ANDREA GLICK: Ezra.

6 CHAIRPERSON MEALY: Ezra.

7 ANDREA GLICK: Polonsky.

8 CHAIRPERSON MEALY: Sorry Mr. Ezra.

9 EZRA POLONSKY: It's fine. I, I'll respond
10 to whatever name. I...

11 CHAIRPERSON MEALY: Please bring him that
12 mic closer.

13 EZRA POLONSKY: Thank you I have
14 confidence that the agencies are following the law.
15 They're all well trained procurement professionals I,
16 who have... [interpose]

17 CHAIRPERSON MEALY: No, no, no, no.

18 EZRA POLONSKY: I, I'm, I'm... [interpose]

19 CHAIRPERSON MEALY: We can't say...
20 [interpose]

21 EZRA POLONSKY: ...not sure, I'm not sure
22 why you're saying no. I don't believe that there's a
23 presumption that city workers are violating the law.
24

CHAIRPERSON MEALY: But how will we know?

It, it's, it's like city time. How could we ever thought that no city agency was looking at city time. And that was millions. Or did it, hundreds of millions. So... [interpose]

EZRA POLONSKY: Not our procurement professionals.

CHAIRPERSON MEALY: But we still part of the city. Whatever happens we are legislators. You supposed to be watching the storehouse. It's still our job to make sure that compliance is done. Make sure somebody is watching the storehouse and that is somewhat procurement's supposed to do. Therefore just to take it lightly that no one is tracking this, something is wrong with that. And I know why he's upset because it's mind boggling that no one thought about creating a database to track who is getting these contracts and who are not. And this is, and thinking about CID, New York CID this is Disenable majority population is, is low moderate income people who getting these jobs. And I believe it's like 60 and 2013 those jobs translated into 1.8 million annually hours worked. And an impressive 28 mil, million in wages to deserving workers in metro New

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2 York. This is, this is residents with disabilities
3 and about 200 New York City contracts, more than 65
4 percent of these employees represent minority
5 population and disable veterans so imagine if someone
6 was watching the storehouse we would have least about
7 95 percent of this population and working jobs. So
8 please don't take this lightly that no one is not
9 complying or we have no ideal that they would or
10 would not. And... [interpose]

11 EZRA POLONSKY: Okay I,... [interpose]

12 CHAIRPERSON MEALY: then I'm like...
13 [interpose]

14 EZRA POLONSKY: I don't believe...
15 [interpose]

16 CHAIRPERSON MEALY: Mr. Oliver Koppell.

17 EZRA POLONSKY: I, Ms. Council Member...
18 [interpose]

19 CHAIRPERSON MEALY: Mm-hmm.

20 EZRA POLONSKY: ...I don't believe we take
21 this lightly and the administration shares your goals
22 that first and foremost that agencies should follow
23 the law. And second we also fully agree that this is
24 the, these organizations provide a valuable service
25 and we agree with the goals of that law to, to get

1
2 business to these organizations. And as I said before
3 in 2013 the city did over 300 million dollars' worth
4 of business with these preferred source vendors.
5 That's not small change.

6 CHAIRPERSON MEALY: We can always do more.

7 EZRA POLONSKY: I'm, I don't know that
8 that's the case.

9 CHAIRPERSON MEALY: Look how, what city
10 time went over. Money stole from the city time went
11 over.

12 EZRA POLONSKY: I don't know that...
13 [interpose]

14 CHAIRPERSON MEALY: Money stole from the
15 city and you, we just talking about... [interpose]

16 EZRA POLONSKY: I'm sorry.

17 CHAIRPERSON MEALY: 300?

18 EZRA POLONSKY: I don't... [interpose]

19 CHAIRPERSON MEALY: And that was like 700
20 thousand,... [interpose]

21 EZRA POLONSKY: That's not something that
22 you could've... [interpose]

23 CHAIRPERSON MEALY: ...700... [interpose]

24 EZRA POLONSKY: ...given to a preferred
25 source vendor.

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COMMITTEE ON CONTRACTS

CHAIRPERSON MEALY: ...million. But...

[interpose]

EZRA POLONSKY: I don't... [interpose]

CHAIRPERSON MEALY: ...why can't...

[interpose]

EZRA POLONSKY: ...I don't know that it is...

[interpose]

CHAIRPERSON MEALY: ...we give that up to
that,... [interpose]

EZRA POLONSKY: ...I don't know that it is
the case that we could give more than 300 million
dollars.

CHAIRPERSON MEALY: ...that is the prime
example.

EZRA POLONSKY: Why... [interpose]

CHAIRPERSON MEALY: We don't know but
imagine... [interpose]

EZRA POLONSKY: But why,... [interpose]

CHAIRPERSON MEALY: If someone was
tracking it we would know exactly... [interpose]

EZRA POLONSKY: ...why would you assume...

CHAIRPERSON MEALY: ...how many people...
[interpose]

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2 EZRA POLONSKY: ...that there are, that we
3 could be giving more?

4 CHAIRPERSON MEALY: Okay.

5 EZRA POLONSKY: 300 million dollars is a
6 substantial amount of money. It's a substantial
7 amount of our annual procurement.

8 CHAIRPERSON MEALY: Okay. I could...

9 EZRA POLONSKY: I, I don't know that there
10 is more that we could give them. I don't know that
11 there's more that these vendors could handle if, if
12 we had it to give them.

13 CHAIRPERSON MEALY: Could I remind you
14 about our oversight hearing in 2011 that the
15 preferred source vendors were really losing
16 opportunities because we were not tracking these
17 vendors. So... [interpose]

18 ANDREA GLICK: Can I just say one thing?

19 CHAIRPERSON MEALY: ...I am not confident as
20 you are. Yes Ms.

21 ANDREA GLICK: Okay. In the event that we
22 did not, in the event that an agency did not go first
23 to one of these preferred source vendors, in the
24 event that have, had happened the procurement is
25 advertised in the city record. And the preferred

1
2 source vendor hopefully would have seen that and
3 would have alerted us to the fact that an agency
4 missed them or forgot to adhere to the law. So based
5 on that what Ezra was saying is we believe that the
6 agencies are complying with the law. And in the even
7 that we didn't I believe we would have been notified
8 because... [interpose]

9 CHAIRPERSON MEALY: No.

10 ANDREA GLICK: ...those groups, they're very
11 aware. They're very knowledgeable. They're very
12 intelligent. They do know what's going on in the
13 city. I have spoken to them. That's how I, you know I
14 want to make sure the people understand what they do
15 and what they're capable of doing. And as we said we
16 are going to start to track this and then we will see
17 the, more of the details of, of what's going on and
18 we'll be able to give that to you.

19 CHAIRPERSON MEALY: But aren't there
20 opportunities that are not in the record? No?

21 ANDREA GLICK: Not over 2,000 dollars.

22 CHAIRPERSON MEALY: None in the good
23 purchasing.

24 ANDREA GLICK: Not over the 100 thousand
25 dollar limit no.

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CHAIRPERSON MEALY: Not just that.

COUNCIL MEMBER KOPPELL: Madam Chair.

CHAIRPERSON MEALY: We're talking about more than that. Could I just ask one other thing? A yes or no? And, and now our oversight hearings in 2011, it was on the record that preferred source vendors are missing good opportunities because no one was tracking. That was in 2011. Aren't, this is now 2013. They have missed a lot of great opportunities to apply for some of these... [interpose]

ANDREA GLICK: I don't know. I haven't, I don't, I don't know if that's the case.

CHAIRPERSON MEALY: You don't?

ANDREA GLICK: So I can't say yes or no. That's correct.

CHAIRPERSON MEALY: Okay Mr. Oliver Koppell.

COUNCIL MEMBER KOPPELL: Thank you Madam Chair. Do we have those, some of these vendors going to testify today.

CHAIRPERSON MEALY: No.

COUNCIL MEMBER KOPPELL: They only submitted?

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2 CHAIRPERSON MEALY: ...they submit for the
3 record. Yeah.

4 COUNCIL MEMBER KOPPELL: Because we put
5 this in because they complained... [interpose]

6 CHAIRPERSON MEALY: Mm-hmm.

7 COUNCIL MEMBER KOPPELL: ...that they're
8 being ignored. I'm surprised that they're not here.
9 I'm kind of disappointed in that... [interpose]

10 CHAIRPERSON MEALY: Mm-hmm.

11 COUNCIL MEMBER KOPPELL: ...because that's
12 the reason we put the legislation in. But in any
13 event whether they're here or not the tracking should
14 be done. Now I heard some objection to some of the
15 detail that's requested in the, in the bill. Who is
16 the person who would communicate with the council
17 staff on, on suggestions on how the legislation might
18 be made more feasible? I'm not saying we will do it
19 but who would be the person.

20 ANDREA GLICK: That would be us sitting up
21 here.

22 COUNCIL MEMBER KOPPELL: Well who? Which
23 individual?

24 ANDREA GLICK: Me or Ezra.
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2 COUNCIL MEMBER KOPPELL: Ms. Glick it
3 would be?

4 ANDREA GLICK: Yes or... [interpose]

5 COUNCIL MEMBER KOPPELL: Or should it be
6 Ezra?

7 ANDREA GLICK: ...or either one.

8 COUNCIL MEMBER KOPPELL: He might be too
9 busy.

10 ANDREA GLICK: I mean whomever they...

11 [crosstalk]

12 COUNCIL MEMBER KOPPELL: But no I'm going
13 to ask one of you.

14 ANDREA GLICK: ...ask to speak to.

15 COUNCIL MEMBER KOPPELL: One of you.

16 ANDREA GLICK: It would be me.

17 COUNCIL MEMBER KOPPELL: Okay we're
18 talking today is the 18th of November. We're going
19 out of business. I'd like to get this done before we
20 go out of business so is there a day this week that
21 you could get back to, is there a particular person
22 Madam Chair on the council staff who they should
23 contact.

24 CHAIRPERSON MEALY: Shannon Manigault.
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COUNCIL MEMBER KOPPELL: Shannon...

[interpose]

CHAIRPERSON MEALY: And Tim

Madisol[phonetic].

COUNCIL MEMBER KOPPELL: Shannon are you
free this week, later this week.

SHANNON MANIGAULT: I am. Yes.

ANDREA GLICK: Right Ezra will probably
speak with Shannon... [interpose]

COUNCIL MEMBER KOPPELL: Oh Ezra will?

ANDREA GLICK: ...later this week.

COUNCIL MEMBER KOPPELL: Alright. So...
[interpose]

ANDREA GLICK: But we will be in touch.

COUNCIL MEMBER KOPPELL: ...can before you
leave... [interpose]

ANDREA GLICK: We have been in touch...

[interpose]

COUNCIL MEMBER KOPPELL: ...before...

[interpose]

ANDREA GLICK: ...before on other matters.

COUNCIL MEMBER KOPPELL: ...before you leave
today can you talk with Shannon, Ezra, and make an
appointment? And also I would ask that the Drew

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2 Gabriel who's sitting here who's on my staff be
3 present at the meeting and I hope we can come to some
4 conclusion. Because Madam Chair I hope you would...
5 [interpose]

6 CHAIRPERSON MEALY: Yes.

7 COUNCIL MEMBER KOPPELL: ...recommend either
8 the bill as it is or a bill with amendments so we
9 could move forward.

10 CHAIRPERSON MEALY: Yes.

11 COUNCIL MEMBER KOPPELL: And that has to
12 be done within the next few days... [interpose]

13 CHAIRPERSON MEALY: Yes.

14 COUNCIL MEMBER KOPPELL: ...otherwise it's
15 not going to happen.

16 CHAIRPERSON MEALY: Yes.

17 COUNCIL MEMBER KOPPELL: So I'm counting
18 on you Ezra and on you Shannon to work something out
19 so that we, I can go to the Speaker's office and say
20 we'd really like to move this.

21 SHANNON MANIGAULT: Yes sir.

22 COUNCIL MEMBER KOPPELL: And I think it's
23 okay the way it is but if it can be changed to make
24 it more feasible to do the tracking, because I think
25 the tracking will be of great assistance because

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2 you'll see immediately from the tracking which
3 agencies are complying, which agencies may not be
4 complying, the degree of their compliance. And by
5 looking at the actual procurements and what goods are
6 or are not being procured I mean say look this, this,
7 the, the housing, the, the building department bought
8 a great deal of furniture for their new office in
9 Queens, I'm making this up, and I don't see that they
10 bought any furniture form the disabled. You'll be
11 able to see it immediately and then action can be
12 taken. As it is now we don't know. Maybe it's true
13 that all the agencies are in compliance but I must
14 say that I doubt it. And that's why I put in the
15 bill. And your answers today don't indicate that they
16 aren't doing it but that you, we don't know whether
17 they're doing it or not. And we should know and the
18 new administration should know. So, you know I know
19 this administration has tried hard with many
20 contracts and has worked closely with the council. We
21 had our own problems with some of the contracts that
22 came through the council. And I think that process is
23 much improved and we have you to thank for that in
24 the Mayor's Office of Contract. So I, I don't want to
25 say that we don't appreciate your work but in this

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2 area I think more, much more can be done based on
3 your answers alone. So I hope we get a bill done
4 Madam Chair before the, before we leave. So thank you
5 very much.

6 CHAIRPERSON MEALY: And I thank you
7 Director Glick, Contracts. And I believe without
8 further, any other questions Mr. Jackson? I thought
9 you was running for mayor. If I was the mayor...

10 [laughter]

11 COUNCIL MEMBER JACKSON: I was frustrated.

12 CHAIRPERSON MEALY: I understand. But
13 without further ado I just like to close out now.

14 [background comments]

15 CHAIRPERSON MEALY: No we, to know that we
16 have received testimony from NYCID for the record
17 they put in their statement. So we have that for the
18 record and I, we wish they were here also. But I
19 thank everyone for being here today for their
20 testimony and we all on the city... [interpose]

21 [background comments]

22 CHAIRPERSON MEALY: Yes. We on the City
23 Council take preferred source programs and its goals
24 very seriously and hopefully this legislation will
25 strengthen and expand it to its full potential.

COUNCIL MEMBER JACKSON: Madam, Madam

1 Chair may I just say something please. I think Oliver
2 Koppell my colleague who is a primary sponsor of this
3 bill indicated whether or not any of the preferred
4 source vendors were going to be testifying and your
5 response and response from us was no they're not. And
6 I must say that I am very disappointed because one
7 thing is submitting something for a record but
8 another thing is coming up here and saying for
9 example what goods and services do they feel, under
10 the law, under section 162 the agencies should be
11 doing business with them and they're not. How much,
12 300 million dollars is what went to preferred source
13 of contracts or in their opinion should it be worth a
14 billion dollars or 600 million? To not come here at
15 all is very very disappointing to me not unless for
16 example the only, the only reason that I think in my
17 mind, them not coming is possible retaliation. But I
18 don't think that that's the case because under the
19 law... But it just, in order for us to move forward
20 with the law that's going to ensure that the city of
21 New York does everything it's supposed to do in
22 accordance with the law it has checks and balances on
23 it. We want to hear from the providers. Those

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2 individual contractors that are doing business with
3 the city under section 162 and not being here to talk
4 about it on the record is totally unacceptable to me.

5 CHAIRPERSON MEALY: Duly noted and without
6 further ado, hope everyone have a nice afternoon and
7 this meeting is now adjourned.

8 [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. 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 December 11, 2013