

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONTRACTS

----- X

November 29, 2021
Start: 1:19 p.m.
Recess: 5:06 p.m.

HELD AT: Remote Hearing (Virtual Room 4)

B E F O R E: Ben Kallos
CHAIRPERSON

COUNCIL MEMBERS:
James Gennaro
Inez Barron
Mark Gjonaj
Helen Rosenthal

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

Robert Aboulafia, Associate Commissioner
for Procurement and Vendor Management
Department of Information Technology and
Telecommunications [DOITT]

Robin Levine, Assistant Commissioner for
External Affairs and Communications
Department of Information Technology and
Telecommunications [DOITT]

Victor Olds, Director
Mayor's Office of Contract Services

Ryan A. Murray, First Deputy Director
Mayor's Office of Contract Services

2 SERGEANT-AT-ARMS: Okay. Livestream is up.
3 PC recording done.

4 SERGEANT-AT-ARMS: Cloud has started.

5 SERGEANT-AT-ARMS: Backup is rolling.

6 SERGEANT-AT-ARMS: Thank you. Good
7 afternoon, everyone. Welcome to today's remote New
8 York City Council hearing of the Committee on
9 Contracts. At this time, would all panelists please
10 turn on your videos? To minimize disruption, please
11 place electronic devices to vibrate or silent. If
12 you wish to submit testimony, you may do so at
13 testimony@Council.NYC.gov. Again, that's
14 testimony@Council.NYC.gov. Thank you for your
15 cooperation. Chair Kallos, we are ready to begin.

16 CHAIRPERSON KALLOS: Thank you. Are we
17 ready to begin?

18 SERGEANT-AT-ARMS: Yes, sir.

19 CHAIRPERSON KALLOS: Great. Good
20 afternoon and welcome to this hearing of the New
21 York City Council's Committee on Contracts. Today's
22 Monday, November 28, 2021. It is 1:20 p.m. and my
23 name is Ben Kallos and I have the privilege of
24 chairing the Contracts Committee. For this of you
25 watching remotely, please feel free to participate in

2 this hearing by tweeting me @BenKallos with any
3 comments or questions. I want to thank Council
4 members Barron, Gennaro, and Gjonaj for joining us
5 today. As another variant of the COVID 19 virus
6 threatens to extend this pandemic beyond the two year
7 mark, we in government are coming to terms with how
8 to handle this prolonged crisis while we, in the
9 city, have managed to adjust reasonable well since
10 the beginning. In 2020, we are still dealing with
11 how to manage the city's workforce of roughly 350,000
12 workers and countless city vendors to contracted work
13 for the city. The purpose of today's hearing is to
14 address the altered contracting processes that we
15 have encountered since Mayor De Blasio declared a
16 state of emergency in March of 2020. In order to
17 expedite the procurement process during the declared
18 state of emergency, some layers of contract review
19 were suspended in accordance with the state's
20 procurement laws in order to achieve these goals more
21 quickly. One example is my own office's work with
22 EDC to leave no stone unturned in seeking PPE for the
23 hospitals that are represented in the district. One
24 contract that has come into question is the
25 Department of Information Technology and

2 Communications no bid contract with IBM that started
3 out at \$43 million in May of 2020 but have now
4 quintupled by nearly 500percent to \$194 million. The
5 last growth in contract of that scale would be city
6 time. Our big question is whether the city can
7 actually justifying \$200 million in work here as
8 emergency given that this work is supposed to go
9 through 2023. It's hard for me to imagine that
10 anything that is going to be happening over the next
11 two years into 2023 would still be in emergency. It
12 sounds to me like a regular contract. Additionally,
13 whether opening the work up to city employees at
14 competitive bidding could help save hundreds of
15 millions of dollars in taxpayer dollars. After all,
16 if you're watching this and you live in New York
17 City, you are paying taxes. The primary role of the
18 state's procurement law is to, quote, guard against
19 favoritism, improvidence, extravagance, fraud, and
20 corruption and to foster honest competition in order
21 that the local government may obtain the best goods
22 and services at the lowest possible price to protect
23 the public fiscally. While we on the committee
24 understand that the initial contract with IBM was
25 conducted in accordance with these laws. We are

2 uneasy about certain additional components and
3 whether they indeed do protect the public fiscally by
4 obtaining the best goods and services at the lowest
5 possible price. Before I turn it over to DOITT, I'd
6 like to thank the Contracts Committee staff,
7 legislative counsel, Alex Polinov, policy analyst,
8 Leah Scripiac, and finance unit head, John Russel,
9 for all their work, as well as Anna Burmudez, my
10 legislative director, for helping put this hearing
11 together. With that, I'll turn it over to our
12 moderator, committee counsel, Alex Polinov, to go
13 over some procedural items and Sawyer in DOITT and
14 Mayors Office of Contract Services.

15 COMMITTEE COUNSEL: Thank you, Chair
16 Kallos. I am Alex Polinov, counsel to the Contracts
17 Committee of the New York City Council. Before we
18 begin testimony, I would like to remind everyone that
19 you will be on mute until you are called upon to
20 testify, at which point you will be muted by the
21 host. I will be calling on panelists to testify
22 individually, so please listen for your name to be
23 called. The first panelists to give testimony today
24 will be the Associate Commissioner of procurement and
25 vendor management from the Department of Information

2 Technology and Telecommunications, Robert Aboulafia,
3 the Assistant Commissioner for external affairs and
4 communications, Robin Levine, will also be available

5 for questioning. The second panelist to give
6 testimony will be the Director of the Mayor's Office
7 of Contract Services, Victor Olds, and First Deputy
8 Director Ryan Murray will be available for

9 questioning, as well. I will call on each of you
10 shortly when it is time to begin your testimony.

11 During the hearing, if Council members would like to
12 ask a question of the administration or a specific
13 panelist, please use the zoom raise hand function and

14 I will call on you in order. We will be limiting
15 Council member questions to five minutes which

16 includes the time it takes to answer those questions.

17 And please note, for the ease of this virtual

18 hearing, we will not be allowing a second round of
19 questions for each panelist outside of the committee

20 Chair. Before we begin, as a reminder, all hearing

21 participants should submit their written testimony to

22 testimony@Council.NYC.gov no later than 72 hours

23 after the hearing. Before we begin, I will

24 administer the oath. To all members of the

25 administration who will be offering testimony or will

1 COMMITTEE ON CONTRACTS 9

2 be available for questions today, please raise your
3 right hands and I will call on you individually for a
4 response. Do you affirm to tell the truth, the whole
5 truth, and nothing but the truth before this
6 committee and to respond honestly to Council member
7 questions? Associate Commissioner Aboulafia?

8 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

9 COMMITTEE COUNSEL: Assistant
10 Commissioner Levine?

11 ASSISTANT COMMISSIONER LEVINE: Yes.

12 COMMITTEE COUNSEL: Director Olds?

13 DIRECTOR OLDS: Yes.

14 COMMITTEE COUNSEL: First Deputy

15 Director Murray?

16 FIRST DEPUTY DIRECTOR MURRAY: Yes.

17 COMMITTEE COUNSEL: Thank you, all.

18 Associate Commissioner Aboulafia, you may begin your
19 testimony.

20 ASSOCIATE COMMISSIONER ABOULAFIA: Good

21 afternoon, Chair Kallos and members of the Committee
22 on Contracts. My name is Robert Aboulafia and I am
23 the Associate Commissioner for procurement and vendor
24 management at the Department of Information
25 Technology and Telecommunications, also known as

2 DOITT. I previously served as the agency's chief
3 contracting officer and I now oversee that function.
4 Joining me is my colleague, Robin Levine, who is
5 DOITT's Assistant Commissioner for communications and
6 external affairs. Thank you for the opportunity to
7 testify today about DOITT's emergency procurements.
8 In advance of today's hearing at the Chair's request,
9 DOITT produced the International Business Machine's,
10 IBM, an emergency contract [inaudible 00:07:37]. The
11 production included the original contract entered
12 into May 1st, 2020, the 36 work orders that had been
13 authorized under the contract, each of which contains
14 descriptions of the services required to be rendered
15 under the work order-- all invoices billed to date
16 against the contracts. In total, DOITT produced more
17 than 1800 pages of contractual documents, all of
18 which show a dogged adherence not only to the
19 emergency contracting process, but to best practices
20 for contractual management integrity in the city of
21 New York. Indeed, as you will hear more about later
22 in the testimony, although the emergency contracting
23 process gave agencies great latitude, Commissioner
24 Tisch was insistent that the rates and terms included
25 in the emergency contract be consistent with the

2 rates and terms previously negotiated in a similar
3 systems integrated contract with IBM which was
4 approved through the non-emergency standard
5 procurement process and signed off on by no fewer
6 oversights than the Mayor's Office of Contract
7 Services, the Office of Management and Budget, the
8 Financial Control Board, the Law Department, the
9 Department of Finance, the Department of
10 Investigation, and the Comptroller. I am happy to
11 offer the Committee on Contracts as the need to this
12 contract as well as how we established it and manage
13 IBM's work on the city's behalf.

14 Why we needed an emergency contract. The
15 city established an emergency contract with IBM in
16 May 2020 at a time of unprecedented demand for IT
17 resources and on the city's existing IT
18 infrastructure. As my Commissioner stated in her
19 preliminary budget testimony this past March, the
20 COVID 19 pandemic brought technology to the forefront
21 of so many of the city services both for the public
22 and internal to the city's workforce. The scale,
23 range, and breadth of the city's technology needs
24 during the pandemic exceeds by orders of magnitude
25 any burden previously placed on civic technology, but

2 DOITT entered the pandemic with severe disadvantages
3 to meet these demands such as a significant headcount
4 shortage both from attrition and years of limited
5 hiring due to hiring freezes and an aging technology
6 and infrastructure that had to work or else critical
7 systems that New Yorkers and the city rely upon, like
8 311, would fail. Despite these odds, DOITT kicked
9 into high gear to tackle the demands of pandemic and
10 the staff at DOITT with support from a number of
11 vendors, like IBM, Sales Force, Encore, Microsoft,
12 Apple, Ezri, T-Mobile, Verizon, AT&T-- to name a
13 few-- accomplished a tremendous amount such as
14 flipping much of the city's workforce from an onsite
15 to a remote work model. Developing the city's
16 vaccination and contact tracing systems, launching
17 the city's first online marriage license platform,
18 building the Get Food program and procuring and
19 administering half a million internet connected iPads
20 for public school students and the results speak for
21 themselves. More than 300 million meals delivered to
22 food insecure New Yorkers through the Get Food
23 platform, 27.4 million hits on the Vaccine Finder,
24 nearly 24 million calls processed through the 311
25 system in 2020 alone, 3 million vaccination

2 appointments processed through Vax4NYC, more than 1
3 million cases and contacts processed through the
4 contact tracing system, more than 1 million downloads
5 of the NYC COVID Safe app, half a million New York
6 City public school children doing schoolwork remotely
7 during the darkest days of the pandemic on city-
8 issued iPads, 400,000 \$100 incentives claimed by New
9 Yorkers through the vaccine incentive portal, and
10 tens of thousands of city employees who accessed city
11 systems remotely. All this to say nothing of the
12 hundreds of thousands of remote family visits for the
13 incarcerated, virtual arraignments processed, and
14 nearly 40,000 virtual marriage licenses issued. As
15 it relates to the IBM contract specifically, the
16 combination of the stresses placed on the city's IT
17 infrastructure, limited staffing and the speed with
18 which we each respond to changing circumstances
19 require DOITT to procure services from a mature,
20 multi-faceted technology company that could quickly
21 adapt to and augment what DOITT was already doing.
22 The city recognized early on that meeting the
23 pandemic's demands head on meant securing the aid of
24 a systems integrator through the emergency
25 procurement process established under emergency

2 Executive Order 101. DOITT assessed that a
3 successful systems integrator must have multiple
4 skill sets across many disciplines, including but not
5 limited to application development, application
6 management, data architecture, preventative
7 maintenance, networking, and securing services,
8 knowledge of existing infrastructure, and IT systems,
9 and the ability to integrate a variety of needed
10 tools and exclusions, competitive rates that fall
11 within industry standards, a track record of
12 operating in good faith and ensuring the city of New
13 York is prioritized, and, most importantly, available
14 resources that could be rapidly mobilized and
15 deployed. Based on DOITT's assessment of these
16 criteria, we established an emergency technical
17 support service contract with IBM in May 2020.

18 The basis for the contract. To be clear,
19 this contract was not developed in a vacuum. As I
20 mentioned above, although agencies were given a wide
21 range of latitude under the city's emergency contract
22 authority, DOITT exercised very little of it when
23 entering into the IBM contract. DOITT has a rock
24 solid basis thanks to the existing prepandemic
25 systems integrator agreement that the city holds with

2 IBM. That agreement was reached through a rigorous
3 open competitive request for proposals process,
4 vetted on all fronts, and approved and registered by
5 the city oversights including the comptroller in
6 2014. During the open competitive RFP process, IBM's
7 proposal was reviewed by a panel of technical experts
8 who evaluated IBM's submission based on several
9 criteria which included demonstrated quantity and
10 quality of relevant experience, demonstrated level of
11 organizational capability, and approached in
12 methodology. The hourly rates were compared to
13 industry standard rates for similar services to
14 ensure fair and reasonable pricing for the city. The
15 terms and conditions established were carefully
16 negotiated and continued to be viewed as extremely
17 beneficial to the city. By basing the emergency
18 contract on the existing systems integrator
19 agreement, DOITT ensured that the city would not be
20 overcharged for services provided by IBM. And in
21 keeping with the requirement for emergency
22 procurements under Executive Order 101, DOITT
23 obtained New York City's Law Department approval for
24 the emergency contract [inaudible 00:16:07] and
25 submitted all required documentation to the Mayor's

2 Office of Contract Services. We did everything by
3 the book and we continue to support the city in no
4 small thanks to this emergency contract through a
5 dark time that continues on today.

6 Safeguards and integrity. When DOITT
7 established the emergency contract, we did so with
8 the understanding that the highest order of contract
9 management and program oversight was required. To
10 that end, all work done under the contract is
11 authorized in the form of a workorder, 36 of which
12 were produced prior to this hearing. Each work order
13 sets out the total cost allowed for work, the
14 deliverables required, the resources to be utilized,
15 and the number of hours allowed. Work orders are
16 reviewed and approved by multiple DOITT divisions,
17 including DOITT's chief operating officer, the
18 technical program manager, the chief financial
19 officer's team, and the Deputy Commissioner for
20 management and budget's team. The Deputy
21 Commissioner for management and budget is the final
22 sign off on all work orders. Regular project
23 management meeting to review cost and measure
24 performance are held by DOITT's chief operating
25 officer-- the DOITT technical lead on the program.

2 The chief financial officer and the Deputy
3 Commissioner for management and budgets offices.
4 DOITT's audits and accounts team is also required to
5 hold regular meetings to review spending on the
6 contract that tracks back to work orders and
7 deliverables signed off on by the DOITT technical
8 leads and the Deputy Commissioner for management and
9 budget. This management structure ensures that, one,
10 the city is receiving the highest level of service
11 from IBM and, two, all aspects of work performed
12 under the contract are fully documented and
13 reviewable.

14 The contract's basics. Lastly, I'd like
15 to offer a few basics on the contract at its current
16 value. The emergency contract was initially
17 established for one year with a maximum spend allowed
18 of up to \$43.7 million. Included in the contract's
19 term was a one year extension option with a maximum
20 spend allowed of up to \$27.7 million which we
21 exercised on February 2021. In 2021, when it was
22 clear that the demands on the city were no less than
23 2020, the IBM contract was amended again to extend
24 its term through April 2023 with an additional
25 maximum spend allowed of \$122.4 million. The

2 contract's maximum spend total currently sits at \$193
3 million which builds in flexibility for the city to
4 tackle unexpected challenges that arise and the
5 continuing unpredictable situation presented by the
6 pandemic. The maximum spend values for the contract
7 that I mentioned are the spending ceiling under the
8 contract. The city may spend up to the contract's
9 total but that does not mean the city actually will
10 spend the total amount. For example, under the
11 contract's first year, the city spend \$1 million less
12 than the \$43.7 million ceiling. DOITT's robust
13 contract management is a safeguard against excessive
14 and unnecessary spending under the agreement. I'm
15 also proud to note that DOITT incorporated an MWBE
16 subcontractor goal in the second amendment to DOITT's
17 emergency contract which extends to the contract's
18 2023 end date. With that, I would like to conclude
19 my prepared testimony. Thank you, again, for the
20 opportunity to testify, Chair Kallos, and I am happy
21 to take any questions.

22 CHAIRPERSON KALLOS: We're going to hear
23 from the Mayor's Office of Contract Services next,
24 but first, please, Associate Commissioner, were you

1 COMMITTEE ON CONTRACTS 19

2 given the opportunity to do a sound check before we
3 started?

4 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

5 Were you not able to hear me, Council member?

6 CHAIRPERSON KALLOS: Your audio went in
7 and out, so while Mayor's Office of Contract Services
8 is testifying, if you could take an opportunity,
9 whether it's logging in from your phone or another
10 device or working with the Department of Information
11 Technology to make sure that the audio is not fading
12 in and out, that would be amazing. And then, the
13 other part is, during this hearing, we will be making
14 reference to the statements of works. One, two, and
15 six are in one file that was provided that is 680
16 pages long and three, four, five, seven, and eight
17 are in another file that was provided. That's 460
18 pages long. We would love to be able to screenshare,
19 but the materials are not provided in an accessible
20 format and therefore we cannot share them because
21 there is a segment of the population that would not
22 be able to access them particularly because they are
23 password protected. So, if you could please have
24 them, we will be making reference and please get the

25

2 audio fixed. We will now turn it over to Victor
3 Olds.

4 DIRECTOR OLDS: Thank you, Chair Kallos.
5 Good afternoon, Council members. My name is Victor
6 Olds and I serve as the director of the Mayor's
7 Office of Contract Services. I am joining the
8 Department of Information Technology and
9 Telecommunication Services. We testified about New
10 York City's valiant effort to source personal
11 protective equipment for our heroic front line
12 workers in October of 2020. We all acknowledge the
13 COVID 19 pandemic required extraordinary
14 contributions in all areas of life. This need
15 extended to strengthening and securing our IT
16 infrastructure and services during a time where the
17 world began to operate digitally by default. Under
18 emergency Executive Order 101, the Mayor allowed
19 modification of the city's procurement rules,
20 enabling agencies to fast-track purchases of goods or
21 services necessary to combat the crisis. Each agency
22 was required to come from contracts were necessary to
23 respond to the pandemic. Multiple oversight
24 approvals were acquired for all emergency contract
25 and MOCS coordinated with city partners holding

2 regular meetings with the Comptroller's office to
3 keep them aware of the upcoming contracts and
4 processing. Any change to the contract followed a
5 similar process requiring documentation to be
6 compiled for review and this information was made
7 available to the Comptroller's office, as well. To
8 comply with local law, MOCS also coordinates with
9 agencies to report increases in capital contracts to
10 the New York City Council pursuant to local law 18 of
11 2012. The DOITT contracting question today was
12 reported in accordance with that law. Thank you for
13 inviting us to testify today. I am joined by Ryan A.
14 Murray, First Deputy Director at MOCS, and we are
15 happy to take any questions that you may have.

16 CHAIRPERSON KALLOS: Thank you. I think
17 that most of our questions are going to be for DOITT,
18 but if you have any knowledge, we're happy to have
19 you. Associate Commissioner, were you able to get
20 the audio working? Or bring in a different device?

21 UNIDENTIFIED: Hi, Council member. I'm
22 so sorry about that. So what we're going to do is
23 we're just moving to a different computer. It will
24 take like a minute, but we did a soundcheck on the
25 other computer. We just want to resolve your audio

2 issues. So I'm sorry about that. We'll be back in a
3 couple moment.

4 CHAIRPERSON KALLOS: Okay. We will
5 recess for a couple of moments. Just checking in.
6 another tool that we have used if the microphone
7 isn't working is dialing in on a phone. If you
8 select the microphone, the up carrot, you can change
9 the microphone from the system microphone to phone
10 audio. Just checking in with DOITT about getting on
11 the zoom and getting audio working.

12 ASSOCIATE COMMISSIONER ABOULAFIA: Can
13 you hear me now?

14 CHAIRPERSON KALLOS: Much better.

15 ASSOCIATE COMMISSIONER ABOULAFIA:

16 Okay. Great. Excellent.

17 COMMITTEE COUNSEL: Chair, before we
18 begin questioning, I just would like to remind the
19 other members of the administration to try and keep
20 their mics unmuted during the question and answer
21 period. It makes it easier going back and forth.

22 CHAIRPERSON KALLOS: In your testimony,
23 Associate-- Assistant Commissioner, what was the
24 original total contract worth?

1 COMMITTEE ON CONTRACTS 23

2 ASSOCIATE COMMISSIONER ABOULAFIA: Just
3 bear with me one second, Council member.

4 CHAIRPERSON KALLOS: Was it \$43.7
5 dollars?

6 ASSOCIATE COMMISSIONER ABOULAFIA: That
7 is correct.

8 CHAIRPERSON KALLOS: In your testimony,
9 you indicated that you spend \$1 million less?

10 ASSOCIATE COMMISSIONER ABOULAFIA: Yes,
11 Council member. That is correct.

12 CHAIRPERSON KALLOS: Can you tell us a
13 little bit about the choice to extend the contract to
14 increase it by \$27.7 million? And what was the time
15 you were extending the contract to? So the first
16 contract, what were the original contract's start and
17 end dates?

18 ASSOCIATE COMMISSIONER ABOULAFIA:
19 Thank you for that question, Council member.
20 Amendment number two, dated February 12th, 2021,
21 extended the term of the contract through April 30th,
22 2022 and increased the contract maximum by \$27.7
23 million. Since the pandemic and resulting affects--

24 CHAIRPERSON KALLOS: Wait. Wait. Let's
25 just stick on that. so you increased it from \$43

1 COMMITTEE ON CONTRACTS 24

2 million to \$70 million. How much money have you
3 spent on the contract to date?

4 ASSOCIATE COMMISSIONER ABOULAFIA: I
5 believe the answer to that is approximately \$60
6 million has been spent under the contract.

7 CHAIRPERSON KALLOS: Checkbook NYC is
8 showing that your current spent to date is \$52.9
9 million with the last payment being made on November
10 23rd of half a million dollars and in the month of
11 November, about \$1.3 million. Sorry. Not even that.
12 about three or \$4 million. Do you know why there's a
13 discrepancy between the number you have and the
14 number we have in our own records and what is
15 available on Checkbook NYC?

16 ASSOCIATE COMMISSIONER ABOULAFIA: So,
17 the numbers that we provided are from the city's
18 financial management system which is a real time
19 accounting. Maybe Checkbook has not caught up yet to
20 that information.

21 CHAIRPERSON KALLOS: Got it. And so,
22 you still have another \$10 million dollars to spend
23 before April. Is that correct?

24

25

1 COMMITTEE ON CONTRACTS 25

2 ASSOCIATE COMMISSIONER ABOULAFIA: The
3 current contract amount is 100 and-- Sorry. Just
4 bear with me one second. \$193.8 million.

5 CHAIRPERSON KALLOS: That you're
6 planning to sp-- That \$193 million, that's your
7 budget until what year?

8 ASSOCIATE COMMISSIONER ABOULAFIA: Good
9 question, Council member. That is the-- The
10 agreement goes to April 30th, 2023.

11 CHAIRPERSON KALLOS: So, how much money
12 are you planning to spend-- So, you spent \$60
13 million. You have \$193 that you can spend. So
14 you've got \$133 million left. Are you planning to
15 spend all of it for April? Are you planning to stick
16 with the original \$71 million figure for April 2022?

17 ASSOCIATE COMMISSIONER ABOULAFIA: I
18 believe that the total of the work orders provided to
19 your office was approximately \$90 million.

20 CHAIRPERSON KALLOS: So there's going to
21 be another \$30 million in spending between when and
22 when?

23 ASSOCIATE COMMISSIONER ABOULAFIA: So,
24 again, work is only granted through a work order to
25 the-- approved work order to the contract, so, you

2 know, as the work was finalized, that money is set
3 aside under the contract. So your office should have
4 what is most current as of now under the contract.

5 CHAIRPERSON KALLOS: So, \$30 million is
6 what you've got left to spend under the work orders?

7 ASSOCIATE COMMISSIONER ABOULAFIA: We
8 would have to get back to you on that. We could
9 give you a more accurate number.

10 CHAIRPERSON KALLOS: How long does it
11 take you to put something out to bid?

12 ASSOCIATE COMMISSIONER ABOULAFIA:
13 Council member, are you referring to the city's
14 request for proposal process?

15 CHAIRPERSON KALLOS: Actually, let's
16 rewind a little bit. Was the IBM contract a no-bid
17 contract?

18 ASSOCIATE COMMISSIONER ABOULAFIA:
19 Okay. Good question, Council member. In
20 accordance with the established emergency procurement
21 process set forth under Emergency Executive Order No
22 101 issued by the Mayor, DOITT made the determination
23 to contract with International Business Machines
24 Corporation, IBM, for these technical support
25 services. DOITT submitted its determination to the

2 Mayor's Office of Contract Services and the New York
3 City Law Department, as instructed, to obtain the
4 required written approval from each agency in
5 accordance with the requirements of the Emergency
6 Executive Order. In accordance with the established
7 process, DOITT subsequently obtained New York City
8 Law Department approval of the contract as the form
9 and submitted all required documentation to the
10 Mayor's Office of Contract Services, MOCS, for
11 registration of the contract in the city's financial
12 management system.

13 CHAIRPERSON KALLOS: Lots of words
14 there. Was a no-bid contract? Yes or no?

15 ASSOCIATE COMMISSIONER ABOULAFIA: The
16 contract that was established complied with the
17 emergency Executive Order process.

18 CHAIRPERSON KALLOS: Okay. I'll throw
19 it over to MOCS who may be more familiar with the
20 terms of ours, but if you guys want to answer that
21 one. To note, if this contract-- the contract
22 number is CT185820201424511. Do you know if it was a
23 no-bid contract?

24 DIRECTOR OLDS: Thank you, Council
25 member Kallos. I can speak generally to the process.

2 I don't think I'll be able to look up that contract
3 for you right now. Pursuant to the emergency
4 Executive Order, agencies are required to use as much
5 competition as was reasonable under the
6 circumstances. So, I think DOITT will have to let
7 you know what that was-- whether they went directly
8 to IBM because they had a preexisting relationship
9 and knew that they would be able to do the services
10 that were needed, you know, on an expedited basis or
11 if they went out to multiple vendors and, you know,
12 evaluated their proposals. I'll let you know that in
13 most instances, agencies-- especially at the start
14 of the pandemic-- went to those vendors that they
15 knew could provide the services immediately given
16 the, you know, urgency of the situation and the
17 unprecedented circumstances that the city was facing.

18 CHAIRPERSON KALLOS: I'm frustrated by
19 the fact that neither DOITT nor MOCS wants to just
20 give me a yes or a no. In response to our first
21 document request, we asked whether or not-- So, I'll
22 try asking a different way. Were there any other
23 bids on this contract?

24 ASSISTANT COMMISSIONER LEVINE: Council
25 member, I also-- sorry, Robert.

1 COMMITTEE ON CONTRACTS 29

2 ASSOCIATE COMMISSIONER ABOULAFIA: No
3 problem.

4 ASSISTANT COMMISSIONER LEVINE: I wanted
5 to refer back to my colleague's testimony where he
6 noted that, you know, while agencies were given, you
7 know, a lot of latitude under the city's emergency
8 contract authority. We actually had to use very
9 little of it because we were able to leverage our
10 existing pre-pandemic systems integration agreement
11 with IBM which we used as the framework for this. And
12 I do want to remind you, Council member, for context
13 here, that that original IBM contract was reached
14 through, you know, an open, competitive RFP that had
15 been vetted and approved by all the city's oversight
16 entities back in 2014. So, we were using that as a
17 framework. I wanted to prove that context.

18 CHAIRPERSON KALLOS: So, no one was able
19 to bid on this \$200 million contract? It was just
20 given to IBM? Is that correct?

21 ASSISTANT COMMISSIONER LEVINE: I do also
22 want to note that at the height of pandemic, you
23 know, I don't need to tell you that the city was
24 facing an unprecedented-- and we were looking to
25 swiftly and do what we were tasked with tremendous

2 COVID response. And so, it was very important for
3 the COVID response that we were able to get something
4 in place very quickly so that we could quickly adapt
5 to the, like I said, the unprecedented and-- the
6 unprecedented and unpredictable needs that the
7 pandemic has brought on.

8 CHAIRPERSON KALLOS: And tell me about
9 when you decided to extend the contract by \$122
10 million. When was that in the pandemic? That was at
11 the height of pandemic in March of 2020 that you put
12 out the \$193 million or when did that extra \$122
13 million pop up?

14 ASSOCIATE COMMISSIONER ABOULAFIA: So,
15 thank you for that question, Council member.
16 Amendment number six, dated June 25thm 2021 extended
17 the term of the contract through April 30th, 2023 and
18 increased the contract maximum by \$122.4 million,
19 bringing the contract total to \$193.9 million.

20 CHAIRPERSON KALLOS: Assistant
21 Commissioner, did you have your vaccine by June 25th,
22 2021?

23 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
24 I did.

1 COMMITTEE ON CONTRACTS 31

2 CHAIRPERSON KALLOS: Me, too. So, when
3 you put out a \$122 million contract, would you
4 characterize that as the height of the pandemic?

5 ASSOCIATE COMMISSIONER ABOULAFIA: So,
6 \$122 million was really an extension of the existing
7 work that had not been completed yet to address the
8 pandemic.

9 CHAIRPERSON KALLOS: Was it a work
10 that's emergency in nature?

11 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
12 That is correct.

13 CHAIRPERSON KALLOS: And do you believe
14 that, between March of 2022 and April of 2023, you
15 could not go through the regular procurement process
16 for any of these-- anything that you've given to
17 IBM?

18 ASSOCIATE COMMISSIONER ABOULAFIA:
19 Thank you for that question, Council member. As
20 mentioned previously, you know, we entered into this
21 emergency contract in accordance with emergency
22 Executive Order No 101 and the services--

23 CHAIRPERSON KALLOS: One June 25th,
24 2021, was Governor Cuomo's emergency orders still in
25

2 effect or had he begun to roll back his emergency
3 orders?

4 ASSISTANT COMMISSIONER LEVINE: I do want
5 to be clear, Council member. The pandemic certainly
6 was still underway in June. I mean, the pandemic is-

7 CHAIRPERSON KALLOS: It's still underway
8 today. We've got Omicron. No arguments here. It's
9 just a question of just Governor Cuomo had already
10 rolled back his emergency orders, so, I guess, what's
11 the status of Mayor De Blasio's? There's been so
12 much focus on the Governor. Has Mayor De Blasio
13 rolled back his Executive Orders? I guess I'll ask
14 that to Victor Olds at MOCS.

15 DIRECTOR OLDS: Thanks. Sorry, Council
16 member. I have to mute and unmute. There's some
17 background noise here and I don't want to disturb the
18 hearing. But, yes. The city's emergency Executive
19 Order was rolled back in some point in either July or
20 August. I don't remember the exact date, but it was
21 at some point over the summer.

22 CHAIRPERSON KALLOS: Great. So, can we
23 rebid this \$123 million since we have until 2023 to
24 get this work done? Since there's no more emergency
25 procurement?

2 DIRECTOR OLDS: Well, Council member,
3 the emergency Executive Order authority, granted
4 pursuant to Emergency Executive Order No 101, was
5 rescinded in July or August, but it doesn't mean that
6 all the contracts that were pursuant to that
7 Emergency Executive Order are terminated upon the end
8 of the Emergency Executive Order. There are several
9 contracts that are still underway that the city
10 entered into during that time that are still in good
11 use and that we need to respond to the ongoing
12 pandemic, as you mentioned.

13 CHAIRPERSON KALLOS: This \$122 million
14 that was entered into on June 25th, 2021, after all
15 of us already had our vaccines, is three times larger
16 than the original \$43 million no-bid contract. And
17 so, I'm just asking whether or not we could save
18 money-- my money, your money, taxpayer money-- by
19 seeing what the private sector could do-- whether or
20 not anyone else on the planet could do this work. Is
21 IBM the only company on the planet who can do this
22 work?

23 ASSISTANT COMMISSIONER LEVINE: Council
24 member, I certainly appreciate that question, but I
25 do want to make clear that the full RFP process takes

2 an entire year. By that time, the contract would be
3 up. But also to your point, the pandemic--

4 CHAIRPERSON KALLOS: It wouldn't be up.
5 You would still have more time on this. We're
6 talking about 2023. My three year old daughter
7 will be five.

8 ASSISTANT COMMISSIONER LEVINE: And
9 again, I just want to note that the full RFP process
10 would take-- we are still in the middle of the
11 pandemic. We are still working on critical COVID
12 related work and, as I said earlier, one of the
13 benefits of this contract is really that we were able
14 to work quickly and we're able to respond to sort of
15 unpredictable and unprecedented needs for the city
16 and our response since March and everyday since has
17 just been making sure that we have the flexibility in
18 place that we need to protect the city's IT assets
19 and ensure continuity in all services and also just
20 respond to everything that keeps coming up.

21 CHAIRPERSON KALLOS: So, just so you
22 know, these were the easy questions. These were the
23 softball questions. I actually have real questions
24 coming up. The fact that I can't get a straight
25 answer-- so, you can correct me if I'm wrong. This

2 was a no-bid contract to IBM. There were no other
3 bidders. Tell me I'm wrong.

4 ASSISTANT COMMISSIONER LEVINE: It was no
5 bid, but it was based on the--

6 CHAIRPERSON KALLOS: Great. It was no-
7 bid. We're good. We're on the same page. Thank
8 you. That was just the-- We just spent 15 or 20
9 minutes trying to get somebody to answer that
10 straightly. So that is amazing. I am privileged to
11 get to serve with Council member Inez Barron and she
12 is a hallmark of integrity and I do not want to keep
13 her waiting. I'm going to have a lot of questions.
14 She is welcome to jump in with as many rounds of
15 questions as she wants and intermingle. I'm going to
16 turn it over Council member Inez Barron. She and my
17 other colleagues will have a five minute clock, but
18 I'm happy to have her jump in as often as she wishes.
19 Did we just lose her?

20 COUNCIL MEMBER BARRON: No. I'm here.

21 CHAIRPERSON KALLOS: Perfect. All you.

22 COUNCIL MEMBER BARRON: Great. Thank you
23 to the Chair for hosting this hearing and thank you
24 to the panel for coming. It always amazes me when
25 city agencies are asked direct questions about a

2 topic that they know they will be questioned about
3 and they come with this obfuscation of answers. It
4 would seem to me that we would have some kind of log
5 and some kind of tracking that would readily identify
6 which contracts are no-bid and which contracts are
7 not. But, yet, as the Chair has indicated, for like
8 the last 20 minutes, we couldn't get a direct answer
9 and it always makes me wonder why can't they just
10 come and say, yes, it's a no-bid contract, but this
11 is why it became a no-bid contract. It was only
12 towards the end of this exchange that I heard, well,
13 an RFP takes at least a year and that extends the
14 process. So, I'm always suspicious. Why can't they
15 just answer the question? Why can't they just say
16 yes or no and then explain why that was the case?
17 So, just to echo what was said, tell us yes or no and
18 then you can give us the context or the background as
19 to why it is that it happened. So it doesn't build
20 confidence. It makes us think that there's something
21 else going on when we can't get a direct answer. So
22 I bring the question: do you have contracts-- how do
23 we differentiate the contracts that the city enters
24 into? Do we keep one set for no-bid contracts and
25 another set for contracts that are given based on an

2 emergency basis or whatever the requirements are or
3 are they all intermingled with, perhaps, a column--
4 a check off column-- for us to know which type of
5 contract it is so that way you can give us a direct
6 answer when we ask for one. So, how do we keep a
7 record of the types of contracts which the city
8 offers?

9 DIRECTOR OLDS: I'm happy to take that
10 question, Council member Barron.

11 COUNCIL MEMBER BARRON: It's good to see
12 you.

13 DIRECTOR OLDS: Likewise. Nice to see
14 you also. And I apologize if there was any confusion
15 with respect to the first question. I think that
16 there were a couple things that were--

17 COUNCIL MEMBER BARRON: I don't think there
18 was confusion. I think it was obfuscation. Just not
19 a direct answer.

20 DIRECTOR OLDS: I understand and I'd
21 like to help clear that up, I guess, by answering
22 that question that you've just asked us now because I
23 don't think that there is anything to hide here and I
24 think that we can be very direct and clear with you,
25 hopefully.

2 COUNCIL MEMBER BARRON: Thank you.

3 DIRECTOR OLDS: Pursuant to the Mayor's
4 Emergency Executive Order No 101, certain procurement
5 rules were suspended, namely Chapter 13 of the
6 Charter. Also, the procurement policy board rules
7 and various provisions of the city's Administrative
8 Code. What we had to do as a result of that is we
9 had to put in some sort of mechanism for agencies to
10 follow to know how to go about the contracting
11 process in response to COVID. So there are certain
12 measures that we put in place. One was every agency
13 head was required to write a memo to both MOCS and
14 Law Department outlining how the contract was in
15 response to the COVID 19 pandemic. That was reviewed
16 and they were required to confirm that there was
17 funding available for every contract. MOCS had
18 daily, at the beginning of the pandemic, and then we
19 need transition to several times per week meetings
20 with the Comptroller's office to keep them aware of
21 every contract that was being registered. And then
22 we also, prior to registering each contract, had
23 those communications and then every contract that has
24 been registered pursuant to the emergency Executive
25 Order is available in Checkbook NYC. So, you can see

2 the full gambit of all the contracts that the city
3 has entered into. You can see the dollar values for
4 each of those contracts. There is nothing that is
5 not publicly available with respect to the emergency
6 contracts that were entered into by the city. We had
7 a hearing on this with Chair Kallos last year to talk
8 about the city's emergency response efforts and we
9 are by and large proud of the way that we are able to
10 respond to the cities pandemic and I think that it's
11 a huge success story in the city, being able to rally
12 and support the front line workers, also manage the,
13 you know, almost instantaneous telework
14 accommodations that needed to be set up and to
15 continue to keep this city up and running and moving.
16 So, all that information is publicly available. Each
17 of the contracts that were a let pursuant to the
18 emergency Executive Order are emergency contracts
19 that are delineated within Checkbook and we have a
20 running list that we can provide you with if you ever
21 want to see them in a different format. Happy to
22 share that with you. We have the date that the
23 contract was registered, we have the dollar value for
24 the contract, we have the agency in the description
25 of each of the services. So, I assure you that there

2 is a wealth of knowledge that we are able to provide
3 you with that is already publicly available, but
4 happy to pass it along, as well.

5 COUNCIL MEMBER BARRON: Great. Thank you
6 for that. And, yes, I would love to see that. So we
7 can ask for that. I have two other quick-- Yes?

8 CHAIRPERSON KALLOS: I was going to jump
9 into what you were discussing, but go for your two
10 questions.

11 COUNCIL MEMBER BARRON: Okay. Great. One
12 question is about the contract that the city has with
13 the Statue for Victory which is going to replace the
14 Semis Statue that was on Central Park East and Fifth
15 Avenue. And the contract was for a million dollars
16 when it was announced, but then at some point there
17 was a fee that was subtracted from this million
18 dollar contract. The fee of \$225,000 for some type
19 of management. Is that the standard practice that
20 when an artist is offered or receives a contract from
21 the city, that a quarter of it-- almost a quarter of
22 it-- is given to EDC to manage that?

23 DIRECTOR OLDS: I'd love to get more
24 information on that and get back to the specifics of

2 that, Council member. I don't have that contract in
3 front of me here and--

4 COUNCIL MEMBER BARRON: Well, it hasn't
5 been signed because the artist is wondering, wait a
6 minute. What happened to a quarter of my contract?
7 If you can get back to me, that would be great.
8 Thank you for that.

9 FIRST DEPUTY DIRECTOR MURRAY: Council
10 member--

11 COUNCIL MEMBER BARRON: Yes?

12 FIRST DEPUTY DIRECTOR MURRAY: We've
13 been in touch with your office and the Department of
14 Cultural Affairs, I believe. Their commissioner
15 reached out to your team formally in a response to
16 this inquiry. Happy to follow up once more with your
17 staff person. They are working with EDC and the
18 artist. We are familiar with this.

19 COUNCIL MEMBER BARRON: EDC. Yes.

20 FIRST DEPUTY DIRECTOR MURRAY: But the
21 process-- Yeah. The process seems familiar and
22 consistent, but we do have the inquiry from your team
23 and there's a response that has been sent back.

24 COUNCIL MEMBER BARRON: Thank you so much.
25 I appreciate that. And, lastly, where are we with

2 contracts for MWBE's? Where are we at? What's our
3 goal? What's been our accomplishment? What targets
4 have we reached? And how are we still extending that
5 to expand it to other groups?

6 DIRECTOR OLDS: Sure. Happy to give you
7 a brief overview of the city's progress to date. As
8 you know, the MWBE efforts within the administration
9 are led by the Mayors Office of MWBE. We have made
10 significant gains since the beginning of the de
11 Blasio administration. I remember starting work on
12 the MWBE program just after I came to MOCS and I
13 think the city's overall utilization percentages or
14 certainly in the single digits. I think it was maybe
15 7percent or maybe 8percent and within the time of the
16 de Blasio administration, those numbers have neared
17 30percent. I think we were at may be 28percent last
18 year and the final numbers for this year might be 26
19 or 27percent. I would have to look. But, I mean,
20 significant strides have been made. The program has
21 expanded. I was personally involved with the
22 legislation to amend the procurement policy board to
23 allow for purchases to be made directly to MWBE's
24 without competition up to \$500,000. The rule
25 previously allowed for purchases up to \$20,000 for

2 goods and services and \$35,000 for construction. And
3 so, you can only imagine the significant increase
4 that we have had in purchases without competition to
5 MWBE's, although one of the safeguards that has been
6 put in place is ensuring that at least three quotes I
7 received. So, there is still responsibility that has
8 been worked into the progress. There are a lot of
9 measures that we have undertaken to ensure that we
10 are including our MWBE partners. Also, Mayor
11 DeBlasio issued executive order-- I believe it is
12 59-- during the course of the pandemic requiring
13 agencies to ensure that they were looking at MWBE
14 goals for these emergency contracts and not excluding
15 MWBE would be partners in terms of subcontracting as
16 would be the case with normal contract. So, the city
17 has made significant gains in its MWBE utilization
18 and we continue to be proud of not just the rules and
19 laws that we have rewritten, but the actual progress
20 that we've seen in city contracting.

21 COUNCIL MEMBER BARRON: Thank you. Thank
22 you, Mr. Chair.

23 CHAIRPERSON KALLOS: So, first, I want
24 to acknowledge we've been joined by Council member
25 Helen Rosenthal. And to the extent that Council

2 member Barron is interested in tag teaming with me on
3 this one, what were the original MWBE requirements
4 under this no bid contract with IBM and have they
5 changed at all over the course of these six
6 amendments?

7 ASSOCIATE COMMISSIONER ABOULAFIA:

8 Thank you for that question, Council member. The
9 original emergency agreement did not include in MWBE
10 subcontracting goal, however, under amendment number
11 two, and MWBE subcontracting goal of 15percent of the
12 overall contract value was added to the contract.

13 CHAIRPERSON KALLOS: Now, you've already
14 made payments on this, so you have paid out \$60
15 million according to your testimony. So, how much of
16 that went to MWBE's?

17 ASSOCIATE COMMISSIONER ABOULAFIA: That
18 is a good question. That is something that we track
19 on a regular basis. We are working with the
20 Department of Small Business Services to certify
21 partners that are eligible. And I believe, date, we
22 have attained approximately 10 to 11percent
23 compliance and that number is continuing to go up.

1 COMMITTEE ON CONTRACTS 45

2 CHAIRPERSON KALLOS: On this contract,
3 you have 10percent of the contract, so you spent \$6
4 million on MWBE's. Is that your testimony?

5 ASSOCIATE COMMISSIONER ABOULAFIA: We
6 can get you in actual number, but that is a ballpark.

7 CHAIRPERSON KALLOS: I'm going to direct
8 you and anyone watching to Checkbook
9 NYC.com/contract_detail/AGID/5985991/doctype/ct1.
10 According to that form, it says that there is only
11 seven subcontractors on this contract. Is IBM an
12 MWBE?

13 ASSOCIATE COMMISSIONER ABOULAFIA: No.

14 CHAIRPERSON KALLOS: Okay. According to
15 Checkbook NYC, the URL I read into the record, there
16 are seven sub vendors. Is Checkbook NYC correct that
17 there are seven sub vendors?

18 ASSOCIATE COMMISSIONER ABOULAFIA: That
19 sounds accurate. Yes.

20 CHAIRPERSON KALLOS: Checkbook NYC says
21 that that is \$8 million that has gone to sub vendors.
22 Of those sub vendors, each of them have \$1 million
23 and \$2 million contracts and only to the seven
24 vendors appeared are labeled as MWBE. Five of them
25 are labeled non-MWBE and two of them are labeled

2 Asian American MEBE for a total of \$2 million. So,
3 according to Checkbook NYC, you have fallen fall
4 short of the \$9 million. You are at \$2 million.
5 So, I'm going to turn it back over to Council member
6 Barron is nonverbal's indicate she may have something
7 to say. I hope we can turn the clock back on.

8 ASSOCIATE COMMISSIONER ABOULAFIA: So,
9 just add to that, Council member, we will get you the
10 final accurate numbers. I don't think it is
11 consistent with what you are seeing in Checkbook.

12 COUNCIL MEMBER BARRON: Thank you, Mr.
13 Chair.

14 CHAIRPERSON KALLOS: Sorry. Before
15 Council member Barron, the great thing is that this
16 is an online hearing. You have several hundred
17 employees, so get us the number now or let Checkbook
18 NYC speak for the record. We had wanted to do a
19 screen share because I am completely done with
20 Lighting and being told that the information that is
21 publicly available is inaccurate because, if I have
22 to choose between whether DOITT is lying under oath
23 or Checkbook NYC is lying, I'm going to think that it
24 is the person in front of me. I'm going to turn it

2 over to Council member Barron to continue the MBWE
3 line of questioning.

4 COUNCIL MEMBER BARRON: Thank you, Mr.
5 Chair.

6 SERGEANT-AT-ARMS: Time starts now.

7 COUNCIL MEMBER BARRON: Thank you. Thank
8 you, Mr. Chair. So, I'm concerned that there is such
9 a discrepancy and, again, it brings me to my point
10 about preparation for any hearing when you know the
11 topic and you know the direction and you know where
12 the focus is going to be that you are not prepared.
13 You know, I taught for many years and it would be
14 similar to a student coming for a term project or
15 presentation and not having the essence of what it is
16 that is required. So, my question is the information
17 that you just gave to us, where did you get that from
18 and why is it so disparate and distant and different
19 from what is the public information?

20 ASSOCIATE COMMISSIONER ABOULAFIA: So,
21 that is an excellent question, Council member. We
22 track the MWBE subcontracting under this contract
23 very closely. It is a high priority item for this
24 agency and we work with IBM on a weekly basis to
25 track that information. They may not be current with

2 entering their payments into the payee information
3 portal which links to FMS and to Checkbook. So, we
4 will make sure that we provide the Council members
5 with the most accurate information possible. But,
6 again, we do track this information on a regular
7 basis and we internally have the most accurate
8 numbers and we would not go by what is in checkbook.

9 COUNCIL MEMBER BARRON: So, we can expect
10 that as you look at Checkbook, you can see, of, they
11 have forgotten to make this injury or this is not a
12 current entry. So, how long a time does it take for
13 you to update what is in checkbook so that we will
14 know that it is an accurate reflection? Could that
15 be by the end of today or tomorrow? How long is that
16 process for you to make sure that what is in
17 checkbook is current and updated?

18 ASSISTANT COMMISSIONER LEVINE: Council
19 members, I do appreciate you bringing this issue to
20 our attention. I can guarantee you that after this
21 hearing we will be following up with our colleagues.
22 Of course, we want to make sure that the Council has
23 the most accurate information. But, of course, we
24 want to make sure that Checkbook NYC reflects the
25 same numbers. So, of course, everyone is looking at

2 the same information. So, certainly, we will be
3 following up with--

4 CHAIRPERSON KALLOS: You mentioned
5 15percent in your testimony.

6 COUNCIL MEMBER BARRON: So, this is--
7 Right. So, just to follow up quickly, Mr. Chair.
8 This is the kind of answer that is a non answer. My
9 question was how long a period of time do you think
10 it would take to make the information Checkbook
11 current and accurate? But I didn't get any answer
12 and that's part of what I'm talking about when
13 Council members ask questions. That, to me, was an
14 evasive response. Were going to make sure. But it
15 didn't say, oh, it will take this 24 hours or 48
16 hours or we need five days. I mean, do you have the
17 time period that you operated or do you not have the
18 time period that you operated? Do you just do it
19 when you get to it?

20 ASSOCIATE COMMISSIONER ABOULAFIA: the
21 payments into the payment information portal and we
22 will work with them to ensure that the information is
23 correct.

24 COUNCIL MEMBER BARRON: So, if IBM is
25 responsible, how do you then have different

1 COMMITTEE ON CONTRACTS

50

2 information from what is in checkbook? IBM since
3 it to you and not to checkbook?

4 ASSOCIATE COMMISSIONER ABOULAFIA: As I
5 mentioned previously, Council member, we work with
6 IBM on a regular basis. It's very possible that IBM
7 has not updated their payee information portal
8 information, but we will check back with them after
9 this call to--

10 CHAIRPERSON KALLOS: If I may interject,
11 the information on Checkbook isn't payments because
12 none of them have gotten paid. There been zero
13 dollars paid as of today on Checkbook NYC to any
14 MWBE's or subs on this. What we have here is just
15 the list of the contractors and one other piece I
16 will throw out there-- and, again, pause the time
17 for my colleague here-- there are seven
18 subcontractors listed. I am demanding by the end of
19 this hearing thank you come back with the names of
20 the contractors in the type of MWBE they are. But I
21 will just ask and allow my colleague to follow up and
22 if we can restore at least two minutes to her clock
23 because I've spoken, for the 15percent requirement,
24 can that be all women-owned business Enterprises, all
25 Asian American owned business Enterprises, or should

2 it also have to include black-owned business
3 Enterprises? This can be for MOCS for DOITT. And
4 this is also a softball.

5 ASSOCIATE COMMISSIONER ABOULAFIA: So,
6 we have worked very closely with IBM to add as many
7 MWBE contractors as possible based on their
8 qualifications and we will continue to do so. That
9 is a top priority for DOITT.

10 COUNCIL MEMBER BARRON: Well, just to
11 conclude, I just want to say that we want to make
12 sure that there is a clear understanding of how
13 important this issue is of contracts. The city, we
14 want to make shores understanding that we are
15 maximizing the selection of those who receive the
16 contracts so that we get the benefit of our dollars
17 and they are not, in fact, some services that can't,
18 in fact, be done in-house or by some of the unions
19 that are currently year in the city that we can save
20 some of the money and enhance what it is that city
21 workers are getting from the city. So, that is
22 another track that we haven't talked about or at
23 least I haven't heard during the time that I was
24 listening. How necessary is it that these large mega
25 corporations get these contracts when, in fact, there

2 may be unions that have the capacity to do the work
3 that the city needs to have done? And I do want to
4 commend you for all of the things that you did do as
5 you highlighted in the beginning of the report. The
6 turnaround for getting things done and up because,
7 certainly, this pandemic has been a monster and has
8 caused all of us to jump into high gear and double
9 and triple and quadruple time. So, for what you've
10 accomplished in that regard, we are appreciative, but
11 we want to make sure that we track this money. We
12 want to make sure that other organizations don't
13 benefit unduly because of this pandemic and just
14 circumstances in general. Thank you, Mr. Chair.
15 Thank you for the extra time.

16 CHAIRPERSON KALLOS: Thank you. And
17 just to Director Olds, with regards to satisfying the
18 MWBE requirement, can somebody satisfy using only one
19 specific subgroup or is there a requirement or
20 incentive to actually have black businesses and
21 women-owned businesses, but more than just one
22 specific group?

23 DIRECTOR OLDS: Sure. For each
24 individual contract that is entered into, the agency
25 will set the terms of how that MWBE goal can be met.

2 So, for this particular contract, I'm not sure how
3 DOITT set up the goal. It's likely that the goal can
4 be met by any city certified MWBE, although, if they
5 specified the goal for this contract, then it would
6 be met, specifically, by that group.

7 CHAIRPERSON KALLOS: Is there any goal-
8 back to DOITT-- Is there any goal on this for black-
9 owned business enterprises?

10 ASSOCIATE COMMISSIONER ABOULAFIA: So,
11 thank you for the question, Council member. There
12 are no diversity goals within the 15percent. It's
13 just an overall certified MWBE goal.

14 DIRECTOR OLDS: So, just to help provide
15 some clarification, in that the goal can be met by
16 any group that is certified as an MWBE with the city.
17 It could be met by a black-owned firm. It could be
18 met by a woman-owned firm. It could be met by an
19 Asian-owned firm. There are several firms that fit
20 the designation of a certified MWBE within the city's
21 program and I think what Mr. Aboulafia is saying is
22 that either any of those can be used to meet the
23 city's MWBE goal for the contract.

24 CHAIRPERSON KALLOS: If somebody is
25 watching at home right now and they are a black or

2 woman-owned business that does technology work and
3 they hear that you have done \$2 million out of \$9
4 million required as of what you've already spent and
5 that we are going to be spending \$200 million-- so
6 \$30 million is on the table for MWBE's-- who does
7 somebody call if they want a piece of this contract?

8 ASSOCIATE COMMISSIONER ABOULAFIA:

9 Thank you for that question, Council member. I
10 would say that even just recently, DOITT held a
11 virtual MWBE event which was a tremendous success
12 where we had in excess of 100 vendor participants at
13 the event. They had an opportunity to meet with
14 various DOITT representatives as well as DOITT vendor
15 representatives to seek out contracting opportunities
16 under existing contracts. We always look for
17 opportunities to incorporate MWBE's specifically in
18 this contract and have regular conversation with IBM
19 not only about their progress, but about adding new
20 vendors, you know, as the opportunities present
21 themselves.

22 CHAIRPERSON KALLOS: What is the phone
23 number or email somebody can contact if they want a
24 piece of the \$30 million on this table?

2 ASSOCIATE COMMISSIONER ABOULAFIA:

3 Sure. You could give them my email address.

4 That would be fine.

5 CHAIRPERSON KALLOS: What is your email
6 address?

7 ASSOCIATE COMMISSIONER ABOULAFIA:

8 RABOULAFIA@DOITT-- D O I T T-- .NYC.gov. Many
9 of the vendors are very familiar with working with me
10 since I've worked with them for a number of years and
11 I will be very happy to take each and every call from
12 the vendor community.

13 CHAIRPERSON KALLOS: And if people can
14 copy contracts@BenKallos.com, I'm interested in
15 getting that \$30 million into the pockets of the MWBE
16 community. Thank you, Chair Barron, for the tag
17 team. I see we've been joined-- I already
18 acknowledged Council member Rosenthal who has her
19 hand up. Now, if we can give her the clock, we would
20 love to hear.

21 COUNCIL MEMBER ROSENTHAL: Great. Thank
22 you so much, Chair Kallos.

23 SERGEANT-AT-ARMS: Time starts now.

24 COUNCIL MEMBER ROSENTHAL: Thank you so
25 much to the Mayor's Office on Contracts. Thank you,

2 Chair Barron. Always appreciate you. And to DOITT,
3 thank you so much for your hard work during the
4 pandemic. I really just have one question. Given
5 that the pandemic-- so much pandemic funding from
6 the federal government, wondering if any part of the,
7 I guess, expanded or original IBM contract is
8 eligible for reimbursement?

9 ASSOCIATE COMMISSIONER ABOULAFIA: That
10 is an excellent question, Council member Rosenthal.
11 We would like to get you the most accurate response
12 possible regarding the eligible funding breakdown
13 under the contract and we can provide you that
14 information after this hearing.

15 COUNCIL MEMBER ROSENTHAL: Okay. That's
16 fine. And let me just get a little specific so I
17 make sure we are talking the same language. So, what
18 you're saying is of this contract, there might be
19 parts of it-- either services provided by IBM or
20 subcontractor who did work regarding the pandemic
21 that is eligible for the city to get reimbursement
22 for and-- so, first question. Well, let's confirm
23 that. Are we hearing each other?

24 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
25 Yes, Council member.

2 COUNCIL MEMBER ROSENTHAL: Okay. And
3 then, would those things-- has the money already
4 been spent or do you think the spending is coming up
5 that-- I don't know if that is a verb, but could be
6 also eligible for reimbursement? Pandemic
7 reimbursement?

8 ASSOCIATE COMMISSIONER ABOULAFIA: So,
9 again, Council member, that is an excellent question
10 we can provide you with the most detailed response
11 possible once we confer with our management and
12 budget team.

13 COUNCIL MEMBER ROSENTHAL: Sorry. I'm
14 just thinking. Appearing your answer. Thank you
15 very much. So, DOITT-- So, just to confirm a couple
16 things. So, DOITT's management and budget time will
17 send over that information. You will send it over to
18 the committee. Okay. So, the my question for MOCS,
19 a larger level-- DOITT certainly being a good
20 example in this contract being a great example, is
21 MOCS tracking contractual work that we could get
22 pandemic reimbursement for? I'm pretty sure OMB is
23 although it's very opaque. Yeah. But is MOCS
24 tracking us at all? I think MOCS might need to be
25 unmute it. Yeah. Victor, hang on one sec. you need

1 COMMITTEE ON CONTRACTS

58

2 to be unmute it by committee counsel. Okay. Victor,
3 start again.

4 DIRECTOR OLDS: Okay. Yep. No worries.
5 That is being tracked by OMB. MOCS was tracking
6 contracts and registrations especially during the
7 course of the emergency Executive Order. We were
8 registering the contracts and that was primarily our
9 role.

10 COUNCIL MEMBER ROSENTHAL: registering
11 contracts separate and apart from whether or not it
12 had FEMA reimbursement?

13 DIRECTOR OLDS: Well, as part of the
14 contracting process, agencies were communicating with
15 OMB about the source of funding and ensuring that the
16 funding was available. After that was confirmed and
17 contract was reviewed as formed by the Block
18 Department and the complete contract package was--

19 COUNCIL MEMBER ROSENTHAL: Got it.

20 DIRECTOR OLDS: compiled and it was sent
21 to MOCS for registration.

22 COUNCIL MEMBER ROSENTHAL: Got it. Got
23 it. So, I seem that was all done their Passport.

24 DIRECTOR OLDS: No. So, Passport
25 release three actually launched during the course of

2 the pandemic, so we started doing emergency
3 procurements prior to its release. So, although the
4 emergency contracts were done outside of Passport
5 pursuant to the emergency Executive Order.

6 COUNCIL MEMBER ROSENTHAL: Of course. Of
7 course. No judgment. Just asking for descriptions.
8 So, all I know in life are Passport, Accelerator, and
9 the old Vendex system. So, my missing something or
10 were they all done under the old Vendex?

11 DIRECTOR OLDS: Agencies were uploading
12 the contract packages to APT, the automated
13 procurement tracker.

14 COUNCIL MEMBER ROSENTHAL: Got it.

15 VICTOR OLDS: That was the precursor to
16 packages being submitted through Passport.

17 COUNCIL MEMBER ROSENTHAL: Got it.

18 Chair, may I ask a couple more questions?

19 CHAIRPERSON KALLOS: Sure. We can give
20 you another two minutes. At two minutes of the
21 clock, please.

22 COUNCIL MEMBER ROSENTHAL: Great. Thank
23 you. Director Olds, and the advance procurement
24 tracking system-- I know I'm not saying that right.

2 DIRECTOR OLDS: Close enough. That's
3 fine.

4 COUNCIL MEMBER ROSENTHAL: I used to work
5 for a firm called APM which I never knew what it
6 stood for, so we called apples, pears, and mangoes.
7 So, that's kind of where we are. But does that track
8 funding source? So, in other words, is one of the
9 fields that you put in that this would get federal,
10 state, or city money or some combination or whatever?

11 DIRECTOR OLDS: I believe it does. I'd
12 have to check with my Deputy Director do ensure that
13 that is where it is tracked. I know that there is a
14 record of it. I just don't want to steer you to the
15 wrong place for where it might be. So, I can let you
16 know that.

17 COUNCIL MEMBER ROSENTHAL: Great. I
18 don't know if Mr. Murray wants to say something? You
19 can say no for pass. No problem. But, you know, if
20 so, hypothetically, we could get at this
21 reimbursement issue by looking at the emergency
22 contracts that were registering and calling out the
23 federal reimbursement portion. Just might be
24 interesting to look at. You know, course, my bigger
25 concern is about making sure that were getting the

2 full amount of federal reimbursement that we can get
3 and, in particular, in regards to this contract, that
4 each time there was a-- you know, it was an
5 emergency contract, right? So, likely all the add-
6 ons were due to the pandemic and that each of the
7 add-ons would get the federal reimbursement
8 opportunity that the city should be getting. Does
9 that make sense?

10 DIRECTOR OLDS: Sure. Sure.

11 COUNCIL MEMBER ROSENTHAL: Yeah. We look
12 forward to hearing from the city on this. Thank you
13 very much for the time, Chair Kallos.

14 CHAIRPERSON KALLOS: Thank you. To
15 follow on that line of questioning, in order for this
16 to be an emergency contract, wouldn't everything in
17 the contract have to be COVID related, Director Olds?

18 DIRECTOR OLDS: Yes.

19 CHAIRPERSON KALLOS: Thank you for the
20 straight answer. DOITT, is everything in this
21 contract COVID related?

22 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
23 That is correct.

24 CHAIRPERSON KALLOS: Amazing. So,
25 between the two of you, Council member Rosenthal has

2 made a very strong point. Is all \$193 million of
3 this going to be eligible for federal reimbursement
4 under the COVID relief funds?

5 DIRECTOR OLDS: Happy to take that
6 question back to OMB who is probably more appropriate
7 to answer the reimbursement questions, but the
8 contract was certainly entered into for the purposes
9 of responding to the pandemic.

10 CHAIRPERSON KALLOS: Great. So, let's
11 put a focus on 311. Why did 311 need an emergency
12 contract? It existed before the pandemic and it will
13 exist after the pandemic. It is a great thing. So,
14 what was the emergency 4311? And please have your
15 documents ready.

16 ASSOCIATE COMMISSIONER ABOULAFIA:
17 Thank you for the question, Council member. The
18 work that was performed under the IBM emergency
19 contract related to 311 was critical for this city's
20 response to the COVID pandemic and was performed in
21 the best interest of the city of New York. Work
22 order number 22 under amendment number four included
23 scope for work on the 311 system and application.
24 The main focus of this work order was to work on
25 updating and fortifying the 311 platform capability

2 to handle the increased demand due to the COVID 19
3 pandemic. The development of the service request
4 form to address the numerous added services the city
5 provided the citizens during this time such as the
6 Get Meals program, the online marriage ceremony
7 application, Get Cupid, the Test and Trace program,
8 vaccinations, etc.

9 CHAIRPERSON KALLOS: And all that was
10 added at 311?

11 ASSOCIATE COMMISSIONER ABOULAFIA: All
12 the services were tied to 311 emergency contract.

13 CHAIRPERSON KALLOS: So, if I go on 311
14 right now, I can get marriage license to Get Cupid?

15 ASSISTANT COMMISSIONER LEVINE: I think
16 what my colleague was trying to say was that Project
17 Cupid, the online marriage licensing program is one
18 of the things that we worked on. But to bring it
19 back to your question, Council member, you are asking
20 why the 311 enhancements were necessary under
21 emergency contracts. To get to that question, again,
22 to reiterate what my colleagues said, you know, in
23 this time of unprecedented crisis, 311 was taking a
24 record number of calls. We took the most calls ever
25 this past year and, you know, 311 sort of went from a

2 nonemergency hotline where you call to find out about
3 alternate side parking or file, you know, service
4 requests and suddenly our call takers were tasked
5 with sending and, you know, coordinating meal
6 deliveries for people, providing essential COVID
7 information to people so, again, it was just critical
8 that 311 be able to handle the unprecedented demand
9 on the system.

10 CHAIRPERSON KALLOS: With regard to that
11 unprecedented demand, your document, Base Contracts
12 and Cost Amendments one, two, and six, on page 635--
13 if you want to pull it up on your computer and we're
14 going to make this page available to the public-- it
15 says, quote, 311 has experienced 300percent increase
16 in call volume due to COVID 19 related questions, end
17 quote. That is clause two under purpose and project
18 scope. Does that sound familiar?

19 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
20 That sounds familiar.

21 CHAIRPERSON KALLOS: Great. Everyone
22 watching could join me, as well as the people on this
23 call, I can go to my favorite website on the city,
24 NYC.gov/MMR. And that stands for Mayors Management
25 Report and on that page, if folks can join me, there

2 is a pulldown and you have an option of downloading
3 the full report. If you have insomnia, I recommend
4 downloading the full report. It is longer than ever
5 thanks to some of our work from my previous
6 committee, but the number two option is 311 customer
7 service center. So, if you can click that and hit
8 go, it should bring up the 311 system. And so, on
9 the 311 system, there is the first indicator on page
10 3. I don't care if it is MOCS or DOITT but if folks
11 can share with me the 311 calls-- it has a star
12 because it is a critical indicator-- and so, let me
13 know if you're able to follow along on the MMR. So,
14 in fiscal year 2017, would you agree that there were
15 20,000-- 540,000-- million calls? 20.5 million
16 calls.

17 ASSISTANT COMMISSIONER LEVINE: Council
18 member, I do not have the MMR in front of me, but I
19 do know that the end of 2020, we announced a record
20 number-- I think it was 24 and a half or 25 million
21 calls that 311 took and that is separate from the
22 intake that we do via Twitter, via that app, via, you
23 know, the 311 portal.

24 CHAIRPERSON KALLOS: I would say that
25 what you just testified is inaccurate and so I would

2 ask you to please pull up the MMR now so that you can
3 give accurate testimony. So, fiscal year 2017 which
4 is 16 to 17 had 20.5 million calls. Fiscal year 18
5 had 20.6 million calls. Fiscal year 19 had 19.5
6 million calls. Fiscal year 20 which ended in June
7 2020 which was during the height of pandemic and did
8 with 21.5 million calls which is not substantially
9 larger than anybody else. In fiscal year 21 and
10 doing June 30, 2021 had 21.7 million calls. So,
11 where is the 300percent? Is the MMR inaccurate? Is
12 Mayor DeBlasio lying?

13 ASSISTANT COMMISSIONER LEVINE: No.
14 Council member, I want to clarify. I appreciate you
15 pulling up the numbers. You know, data-- DOITT is
16 incredibly data driven. What I want to clarify I
17 want to go back to what I said earlier which is that
18 the role of 311 really changed at the start of the
19 pandemic. So, previously, a lot of calls that we
20 took, a lot of them were resolved by the IVR-- so
21 that automated system and fraught. I mentioned
22 alternate side parking earlier. That is because,
23 historically, alternate side parking has been one of
24 our top [inaudible 01:28:06]. So, previously, the
25 majority of the calls that 311 took pre-COVID were

2 people calling 311, hearing an automated message
3 explaining, for example, when alternate side parking
4 is, talking about street closures, whatever. And
5 then they would hang up. So, that is considered at
6 311 call. But that's not a call that ever reaches an
7 agent. So, we are talking about this unprecedented
8 demand on 311 and what we're talking about this
9 300percent uptick, what we're talking about is phone
10 calls from needy New Yorkers who need information at
11 the height of the pandemic who needed meal
12 deliveries, who needed to find out, you know, where
13 they could get essential resources or needed to find
14 out-- Are talking about people needed to call 311
15 and had to be connected to an actual 311 agent to get
16 the answer and that is where the uptick came from.

17 CHAIRPERSON KALLOS: What does that have
18 to do with the software? That sounds like we should
19 have seen an increase in the number of people working
20 at 311 and wouldn't you know that if you look at the
21 Mayor's Management Report, we actually had fewer
22 people working at 311 in fiscal year 21 than we did
23 in 2020. So we actually went from 347 to 355 to 375
24 to 403 at the height of the pandemic in 2020 and
25 then, in 2021, we down to 387 and so we have budgeted

2 in fiscal year 22, an extra-- for an additional 20
3 or so people. It's actually 17. And our budget
4 really hasn't gone up. I will note that there was
5 additional overtime paid. It went from 252,000 in
6 fiscal year 19 to 400,000. But we're talking about
7 \$200 million contracts and 311 hasn't changed their
8 staffing significantly. They have not increased
9 their overtime significantly. And with regards to
10 what you talked about in a service request, the
11 service requests in fiscal year 19 were 3200 and the
12 fiscal year 21 were 3400. So, show me the data that
13 says that there was a quote, unquote, 311 has
14 experienced a 300percent increase in call volume due
15 to COVID 19 related questions that necessitated
16 spending millions on software infrastructure, not
17 human infrastructure.

18 ASSISTANT COMMISSIONER LEVINE: So,
19 again, as you know, the call takers, obviously, rely
20 on a strong 311 back end system. To your point, we
21 did have to create at record speed a number of new
22 COVID related service requests which had to be done
23 very quickly and, to your point, you know, we also
24 had to bring in contracted staff to assist with the
25 overwhelming call volume. You know, especially, you

2 know, at the beginning of the pandemic with social
3 distancing and all of those other limitations in
4 place. We also were up against space limitations for
5 the number of people, the number of call takers we
6 could actually safely have in one space.

7 CHAIRPERSON KALLOS: Are you testifying
8 that the MMR does not reflect contracted personnel
9 who were answering phones for 311?

10 ASSISTANT COMMISSIONER LEVINE: No,
11 Council member. I'm not speaking about the MMR. I
12 just wanted to provide a little bit more clarity on
13 my understanding of how 311 was functioning--

14 CHAIRPERSON KALLOS: Okay. So, so far,
15 you told me that Checkbook NYC is not telling the
16 truth and that there is more than seven vendors
17 somehow and that there is more than \$2 million bleed
18 paid out and that it is IBM's fault for not updating
19 Checkbook which heard from Council member Barron.
20 Now you telling me that the Mayors Management Report
21 is inaccurate and does not reflect what was really
22 going on in 311?

23 ASSISTANT COMMISSIONER LEVINE: I am
24 certainly not saying that the MMR is inaccurate,
25 Council member. As I said, I don't have the MMR in

2 front of me, but I wanted to be responsive to your
3 questions and provide-

4 CHAIRPERSON KALLOS: Are you able, are
5 you on a computer right now? Are you and the
6 Assistant Commissioner at a computer right now?

7 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
8 We are at a computer.

9 CHAIRPERSON KALLOS: Are you able to
10 navigate to NYC.gov/MMR?

11 ASSISTANT COMMISSIONER LEVINE: Sure.
12 But, again, you know, Council member, I'm happy to
13 take a look at the MMR after the hearing and I'm
14 happy to consult with my colleagues here to clarify
15 any of these outstanding questions. But, again, you
16 know, we're here today to talk about emergency
17 procurement during the pandemic and that is what we
18 are trying to be responsive to you about right now.

19 CHAIRPERSON KALLOS: Sure. And I guess
20 I've asked what the emergency contract with 311 was
21 for. You talked about all these new needs. You
22 pulled from the contract which mentioned a 300percent
23 increase, but it's not reflected in any public facing
24 documents. And so, as opposed to saying we made a
25 mistake, maybe that shouldn't happen in the

2 contract-- I will throw it over to MOCS. When you
3 evaluated the emergency contract, did you review page
4 635 where it said 311 has experienced a 300percent
5 increase and, if that fact is materially false, would
6 that have had an impact on the approval?

7 DIRECTOR OLDS: So, just to clarify
8 again what the various roles were during the
9 emergency procurement process, prior to agencies
10 moving forward with the emergency procurement, the
11 agency hear was required to submit a determination to
12 MOCS and the Law Department. So, we were not
13 reviewing contracts or works that were performed
14 after the fact. We were approving an agencies
15 ability to move forward with an emergency contract.
16 So, if DOITT expressed a need in needing to focus in
17 on some area within the city for which it has
18 oversight in relation to responding to the COVID 19
19 pandemic, that would've been completely reasonable
20 for us to say, sure, move forward with that contract.
21 We understand the connection to the COVID crisis and
22 to allow DOITT to, you know, enter into that
23 contract. MOCS doesn't review contracts that are
24 entered into by agencies. That is not part of our
25 oversight. Agency General Counsel's do that in court

2 nation with Law Department. So, we wouldn't have
3 reviewed the contract that DOITT was entering into
4 and certainly wouldn't have done that prior to
5 allowing them to move forward with an emergency
6 purchase.

7 CHAIRPERSON KALLOS: So, big picture
8 question. DOITT in a contract says, we need to get
9 emergency contracting and 311 because of everything
10 we just heard testified plus in the document itself
11 it says there is a 300percent increase in call
12 volume. We're going from 20,000 calls to 60,000
13 calls and somehow the software we developed can't
14 handle a brief factor increase because it wasn't
15 scalable. We had a bad contract to begin with. And
16 then you come back and you see, wait, there wasn't
17 day 300percent increase and maybe we are spending a
18 lot of money we don't need to and we have two more
19 years in the contract with \$140 million. Where does
20 the buck stop? Whose job is it to be like, maybe, we
21 don't need to spend \$200 million on upgrading a
22 system that doesn't need to handle 60,000 calls a
23 day. It only needs to handle 20,000.

24 DIRECTOR OLDS: Sure. And I stand and
25 appreciate your question, Council member Kallos. I

2 have confidence in the leadership at DOITT. It
3 sounds like they've committed to working with you to
4 understand if there is a discrepancy and what that
5 discrepancy might be an if like, in turn, find that
6 there is not a discrepancy and there's a reasonable
7 explanation for why you are seeing the information in
8 the MMR and DOITT is trying to explain that there's
9 an uptick in volume that isn't reflected in the MMR.
10 So, you know, I imagine that DOITT will work with
11 your office to clarify any apparent discrepancy, but
12 that contract as a whole, as I understand it, wasn't
13 focused exclusively on the 311 call center. I
14 understand that to be a part of the contract and
15 there are other areas within the contract that were
16 also swamped the pandemic. So, that's not to say
17 that this 311 component should not have been within
18 the contract. I trust that DOITT did a proper
19 analysis said that it should have been and they will
20 work with you to clarify whatever discrepancy appears
21 to be apparent now. But there are other portions of
22 the contract, I think, that DOITT talked about--

23 CHAIRPERSON KALLOS: We will get there.
24 We have all day. So, Assistant Commissioner Robert
25 Aboulafia, now that you've heard that there is this

2 huge discrepancy between what was in your contract
3 documents and what you have testified and what is in
4 the MMR, would you consider revisiting the 311
5 contract and pulling it off of an emergency and,
6 perhaps, putting it out to bid? And even, perhaps,
7 scaling back the project itself?

8 ASSOCIATE COMMISSIONER ABOULAFIA:

9 Thank you for that question, Council member. No.
10 I absolutely would not. I would also add that, you
11 know, barely there will be in flux of calls related
12 to COVID 19 and the emergency. That should not be a
13 dispute with anyone. So, clearly, there is a
14 disconnect here that we will have to get back to you
15 on.

16 CHAIRPERSON KALLOS: Can we get
17 permission from the Council to share on the screen
18 the MMR? It's publicly accessible at NYC.gov/MMR.
19 So, is it a matter of my word in the URL versus the
20 others. Alex, if we can get an answer from the team?

21 COMMITTEE COUNSEL: Give me a moment,
22 Council member.

23 CHAIRPERSON KALLOS: Thank you. So,
24 Commissioner, what do we do? The Assistant
25 Commissioner is saying absolutely not. The facts are

2 not the facts. The MMR is wrong and what have you.

3 I would have expected, at least, like, well, these

4 are valid points. We're going to look into it versus

5 just a straight up no.

6 DIRECTOR OLDS: Sure, Council member. I

7 understand the questions that you're asking and I

8 want to be careful to, I guess, read what I

9 previously said which is that, based on the questions

10 that you asked, there appears to be a discrepancy.

11 I'm not, in fact, sure that there is a discrepancy.

12 I think DOITT is just asking for the opportunity to

13 come back to you with clarifying information for why

14 they thought that there was a 300percent increase in

15 call volume and how that relates to the contract.

16 CHAIRPERSON KALLOS: The hearing started

17 at 1 o'clock. I've asked for answers during this

18 hearing. We had a previous hearing, Director Olds.

19 At a previous hearing with Director Old with Mersida

20 Ibric, head of procurement with DCAS, was DCAS able

21 to get me answers during the hearing where I asked a

22 question and they said we'll get back to you and I

23 said I want it answered during the hearing and then

24 Mersida was actually able to give me the answer

25

2 during the hearing. Did that actually happen? Were
3 you there for that?

4 DIRECTOR OLDS: I don't remember if that
5 was with me or with my predecessor, Dan Simon. If
6 you say that it happened, I trust that it happened.
7 I know--

8 CHAIRPERSON KALLOS: I see Ryan nodding
9 his head that it happened.

10 DIRECTOR OLDS: Yeah. I have no reason
11 to doubt that.

12 CHAIRPERSON KALLOS: Let's unmute Ryan
13 because he can be a witness.

14 DIRECTOR OLDS: But, Council member--

15 CHAIRPERSON KALLOS: Ryan, did that in
16 fact happen?

17 FIRST DEPUTY DIRECTOR MURRAY: I do
18 recall the hearing you are speaking about and it was
19 specific to, I think, environmentally preferable
20 purchasing. So--

21 CHAIRPERSON KALLOS: It was on the claw
22 backs from the COVID contracts where we put out like
23 \$100 million COVID contracts and then we asked the
24 specific contracts and she got back with every single
25 one of them that like we've got the money back. So,

2 Assistant Commissioners, can we get the answer that
3 we asked before about which MWBE contractors that
4 were added that aren't reflected on Checkbook? Do we
5 have that answer yet? Do we have somebody at DOITT
6 trying to get that answer?

7 ASSISTANT COMMISSIONER LEVINE: Council
8 member, like I said, I'm happy to follow up with
9 after--

10 CHAIRPERSON KALLOS: I don't want follow
11 up. We're going to be here for hours. I want one of
12 you to reach out to somebody else at-- Are there
13 more than two employees at DOITT today?

14 ASSISTANT COMMISSIONER LEVINE:
15 Certainly, there are more than two employees at
16 DOITT.

17 CHAIRPERSON KALLOS: Is there another
18 employee that can go and find out if there's
19 additional contractors not listed on Checkbook?

20 ASSISTANT COMMISSIONER LEVINE: To the
21 extent possible, obviously, we will get you that
22 information.

23 CHAIRPERSON KALLOS: I want it during
24 the hearing. So, other questions. And this would
25 possibly be for City Hall, but do any of you recall

2 or have personal knowledge to the fact that we asked
3 if he would want to join us for this hearing?

4 ASSISTANT COMMISSIONER LEVINE: Well,
5 DOITT runs 311 now. 311 is under the purview of
6 Commissioner Tisch. So, I know part of my job is
7 working with 311. So, from my perspective, I'd say
8 that 311 is represented here today, Council member.

9 CHAIRPERSON KALLOS: Where is the
10 director of 311? Can you please get him to join the
11 hearing?

12 ASSISTANT COMMISSIONER LEVINE: I am here
13 today with my colleague. Again, we're here today to
14 talk about emergency procurement during the pandemic.
15 That's what Robert is here to discuss.

16 CHAIRPERSON KALLOS: Do you have more
17 knowledge of how 311 operates than Joseph Moriso
18 [sp?] who has been running it for, I think, a decade
19 or more?

20 ASSISTANT COMMISSIONER LEVINE: I work
21 closely with Joe Moriso. Of course, I work closely
22 with Joe Moriso and the rest of the 311 team. Again,
23 in April of 2020, I believe, at the height of the
24 pandemic when 311 was bogged down, you know, with
25 unreasonable wait time, Commissioner Tisch was asked

2 to resume responsibility of 311. And so, under Joe
3 Moriso, as do I, we both work under Commissioner
4 Tisch all things pertaining to 311.

5 CHAIRPERSON KALLOS: Are you able to
6 give me a URL or anything that can support your
7 assertion about the 300percent increase at 311 others
8 in your testimony that has been controverted by the
9 Mayor himself?

10 ASSISTANT COMMISSIONER LEVINE: Again,
11 I'm happy to follow-- Obviously, take the Councils
12 oversight role incredibly seriously, so, when you
13 talk about the MMR, I don't want to speak off-the-
14 cuff. I really would like the opportunity to talk to
15 my data folks who are-- I mean, I know that you
16 don't want me to talk about press release and I
17 understand that. But--

18 CHAIRPERSON KALLOS: You can talk about
19 a press release. I have it appear now. Which press
20 release? Give us the [inaudible 01:43:41].

21 ASSISTANT COMMISSIONER LEVINE: I will
22 say I believe last December we put out a press
23 release announcing the record number of calls that
24 311 took. I don't have that press release in front
25 of me, but I want to say that we said it was 24 and a

2 half-- 25 million. A record number of calls. I
3 remember we put that out last year. So, you are
4 asking about any public facing documents that would
5 back up our assertion that 311 call volume increased,
6 so I do want to bring your attention to that.

7 CHAIRPERSON KALLOS: So, I googled it
8 and I'm seeing a February 19, 2019 release that says
9 311 cents new record with 44 million interactions at
10 2018 which was an increase of 10.2percent over 2017.
11 But this was well ahead of the pandemic.

12 ASSISTANT COMMISSIONER LEVINE: No. I
13 am referring to something that, I think, was released
14 last December. I want to say like December 31 read
15 at the end of the year. I'm sorry. I can Google it.
16 But, again, I don't want to belabor the point of a
17 press release. I just wanted to reference something
18 that I know is a public facing document that does
19 explicitly speak to the increased volume that came in
20 through 311.

21 CHAIRPERSON KALLOS: I literally on the
22 website with all the public data. And, again, if you
23 want to pull the URL and read it. I read my fair
24 share of URLs in the past two hours. Is there an
25 exclusivity agreement between DOITT and IBM that they

2 are the only provider who is able to maintain or
3 upgrade the 311 system?

4 ASSOCIATE COMMISSIONER ABOULAFIA:

5 Thank you for that question, Council member.

6 Just bear with me one sec. so, the question, Council
7 member, yes. IBM is the contracted vendor to provide
8 three want support on the 311 system.

9 CHAIRPERSON KALLOS: Are they a sole
10 source provider? Are they the only people who are
11 allowed to service 311 under subcontract that we do
12 not have?

13 ASSOCIATE COMMISSIONER ABOULAFIA: So,
14 that services that are currently provided under the
15 IBM emergency contract support 311 currently.

16 CHAIRPERSON KALLOS: Before the
17 emergency contract, you made reference to purchasing
18 off a previous contract. What contract was that?

19 ASSOCIATE COMMISSIONER ABOULAFIA: So,
20 you are referring to the previous contract for 311?

21 CHAIRPERSON KALLOS: Your testimony, you
22 state you purchased off of a pre-existing IBM
23 contract. That you used it as a, quote, unquote,
24 framework, I believe.

1 COMMITTEE ON CONTRACTS 82

2 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

3 That's correct. So--

4 CHAIRPERSON KALLOS: What was that
5 contract and how much was it?

6 ASSOCIATE COMMISSIONER ABOULAFIA: So,
7 the three want one IBM task order was approximately
8 \$33 million.

9 CHAIRPERSON KALLOS:

10 ASSOCIATE COMMISSIONER ABOULAFIA:

11 CHAIRPERSON KALLOS: That was \$33
12 million on the emergency contract or the previous
13 contract?

14 ASSOCIATE COMMISSIONER ABOULAFIA: That
15 task order was established that DOITT-IBM systems
16 integration contract that was referenced previously.

17 CHAIRPERSON KALLOS: Got it. So, when
18 the city moved over-- So, if folks haven't been
19 paying attention-- which folks should be paying
20 attention to this level of detail-- So, New York
21 City's top a platform that, I believe, was based on
22 Oracle. We switch to a new platform and so the new
23 311 platform cost us 33 million to build for the
24 transfer over to the new system?

25

1 COMMITTEE ON CONTRACTS 83

2 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

3 That is correct.

4 CHAIRPERSON KALLOS: Okay. How much of
5 this \$200 million contract is going to 311?

6 ASSOCIATE COMMISSIONER ABOULAFIA: Just
7 bear with me one second, Council member. We will
8 have to back to you on the exact number because it
9 involves multiple work orders.

10 CHAIRPERSON KALLOS: We have three work
11 orders that we were provided. The first work order,
12 this would be on the statements of work document.
13 This is work order amendment three, four, five,
14 seven, and eight.pdf. And so we have the first work
15 order on May 1st, 2020 to October 31st, 2020 \$43.2
16 million at page 130. Does that sound correct?

17 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
18 That sounds correct.

19 CHAIRPERSON KALLOS: Second work order,
20 page 179. The contract states November 1st, 2020 to
21 February 28, 2021 for 4.4 million. That is page 179
22 of that same document.

23 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
24 That is correct.

25

2 CHAIRPERSON KALLOS: We have 1/3 work
3 order. That work order is page 315. The contract
4 dates March 21st, 2021 to June 30th, 2021. That is
5 valued at \$7 million. The contract names,
6 respectively, are DOITT-IBM-021-311, DOITT-IBM.029-
7 311 Phase II, and-- sorry. One more. There was one
8 more. But so I think we come out to about \$14
9 million give or take. Does that sounds right?

10 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

11 CHAIRPERSON KALLOS: Okay. For these
12 three contracts, did any of them involve non-COVID
13 related work?

14 ASSOCIATE COMMISSIONER ABOULAFIA: No.

15 CHAIRPERSON KALLOS: Okay. Are you able
16 to pull up your scope of work for DOITT-IBM-021-311
17 work order number 10 on pages 13 to 19. It's page
18 142 of the large pdf you sent over.

19 ASSOCIATE COMMISSIONER ABOULAFIA: Just
20 bear with me one sec.

21 CHAIRPERSON KALLOS: Sure. Assistant
22 Commissioners, can we ask that you turn on the mic
23 and give testimony? And I believe at the beginning
24 of the hearing I said I would referencing these two
25 documents. You should have them on hand.

2 ASSISTANT COMMISSIONER LEVINE: Hi,
3 Council member. Sorry for the delay. As you know,
4 we had to relocate right before-- you know, writing
5 the hearing started. So, the team is just trying to
6 pull those up right now. It was on a different
7 device. That's the delay. So my apologies for that.
8 But while we wait, I do want to say and I want to
9 correct myself when I was talking about the record
10 number of calls. It was \$23.5 million. I was able
11 to find it on my [inaudible 01:53:00]. Probably the
12 reason it wasn't coming up is because it's on the
13 Mayors press release page, not DOITT or 311. And
14 this is a press release from December 31, 2020 and IT
15 since Mayor De Blasio announced 311's records leading
16 23.5 million calls in 2020. So, wanted to clarify
17 and share that. And, in the meantime, we're trying
18 to pull up these other documents.

19 CHAIRPERSON KALLOS: So, if the previous
20 year had 21.5 million calls and there's an average of
21 20 million calls, 23 million is not 30percent more.
22 It's barely over 10percent more.

23 ASSISTANT COMMISSIONER LEVINE: Again,
24 just speaking about the types of calls that were
25 coming in, I know that these were much more time

2 consuming calls. Calls that couldn't be resolved by
3 the IVR. But, certainly, phone calls are not the
4 only way that 311 interacts with customers. As I'm
5 sure you know, you can use the 311 app, you can use
6 the 311 portal online, you can tweet. There's a
7 myriad of ways to reach out to 311 and be connected
8 to assistance there.

9 CHAIRPERSON KALLOS: Alex, do we have a
10 decision on whether or now we're allowed to share a
11 page of the Mayor's Management Report for the public
12 to view?

13 COMMITTEE COUNSEL: Yeah. We cannot,
14 unfortunately, Chair.

15 CHAIRPERSON KALLOS: Okay. I'm just
16 going to start reading off from the columns. So,
17 Spanish language calls starting with fiscal year 2017
18 or 698,700, 733,000, 714,000, 897,000, 648,000.
19 Again, these numbers are staying largely flat with a
20 small bump in 2020. 311 calls in languages other
21 than English starting in 2017, 71,000, 65,000,
22 60,000, 81,000, 112,000. In this case, it is going
23 up, but we're talking about thousands and not
24 millions. The 311 mobile app contacts in fiscal year
25 17 were at 1.3 million. 18 to 1.8 million, 2.2

2 million, 2.2 million, 2.2 million. For the text
3 contacts, we go in 2017 at 144,000 to 254,000 to
4 253,000 to 424,000 to 356,000. Again, we're in
5 thousands. 311 online site visits actually start
6 going down. Fiscal year 17 we are at 17 million,
7 19.3 million, 20.1 million, 10.5 million, 13.4
8 million. Completed service requests, again, stays
9 flat. It starts in 2017 at 2.8 million and then 3
10 million, 3.2, 2.9 million in 2020 Fiscal year and
11 then 3.4 million again in fiscal year 21. Knowledge
12 articles, which is just going to their website for
13 information is at 22.5 million, 24.6, 24, 12. It
14 actually went down during the pandemic. And then
15 25.3 going up to the average. So, all these numbers
16 stay somewhat flat through the years and it is
17 incredibly painful that the counsel will not allow us
18 to just share a screen when people are actually
19 saying that what is in the Mayor's Management Report
20 isn't in the Mayor's Management Report and that there
21 was, in fact, a 300percent increase when there was no
22 such increase. Have you been able to locate the work
23 order?

24 ASSISTANT COMMISSIONER LEVINE: So,
25 Council member, thank you for sharing those figures

2 from the MMR with us. Like I said, I would like the
3 opportunity to confirm with my colleagues who compile
4 all of the data for the agency. So, I don't want to
5 misspeak here, so I'm going to have to get back to
6 you on your MMR question. But, certainly, I will
7 confer with the team and DOITT will follow up
8 [inaudible 01:57:20].

9 CHAIRPERSON KALLOS: Have you been able
10 to access the document in question?

11 ASSISTANT COMMISSIONER LEVINE: I don't
12 believe so.

13 ASSOCIATE COMMISSIONER ABOULAFIA:

14 Again, we had to switch devices, you know, du
15 ring the issue that you raised before, so we're
16 actually not logged in on the computer that had that
17 information.

18 CHAIRPERSON KALLOS: Does DOITT have
19 access to a document share? In my office, we use
20 Google Drive. So, I'm able to work at my legislative
21 office at 250 Broadway. I'm currently in my district
22 office. A lot of the work that I actually did was
23 from home and so I've accessed things over the Google
24 Drive. Do you have a document share like Google

2 Drive or Drop Box or something else? Does DOITT have
3 a document sharing system?

4 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

5 We have the ability to access the document, but if
6 you can share the document, I--

7 ASSISTANT COMMISSIONER LEVINE: I hear
8 you, Council member, when you said that the sergeants
9 aren't able share the screen, otherwise you would
10 share the document with us.

11 CHAIRPERSON KALLOS: I would love to
12 share the screen. There are people at home
13 scratching their heads being like, why can't they
14 share the screen?

15 ASSISTANT COMMISSIONER LEVINE: So, yes.
16 I do apologize. Like Robert said, this is just a
17 matter of us logging into pull up the information. I
18 believe for security reasons, we don't use third
19 party things like--

20 CHAIRPERSON KALLOS: You'd be surprised
21 how secure the cloud is. Can we get an answer on
22 whether or not I'm allowed to hold up a piece of
23 paper?

24

25

1 COMMITTEE ON CONTRACTS 90

2 ASSISTANT COMMISSIONER LEVINE: So, are
3 you referring to amendment-- I'm sorry. Which
4 amendment did you say you were referring to?

5 CHAIRPERSON KALLOS: I'm referring to
6 work order number 10 which is labeled with IBM work
7 order number DOITT-IBM-021-311. And it is page 142
8 of the 460 page document that was provided.

9 ASSISTANT COMMISSIONER LEVINE: I'm just
10 going to step out.

11 ASSOCIATE COMMISSIONER ABOULAFIA:

12 Sure.

13 ASSISTANT COMMISSIONER LEVINE: Actually,
14 can you--

15 CHAIRPERSON KALLOS: We're going to take
16 a five second recess to step away for a moment.
17 Were you able to find the document?

18 ASSISTANT COMMISSIONER LEVINE: I
19 believe we are logging into the system now. Is that
20 right? Yes. We are logging into the system now,
21 Council member, so we should be able to pull it up
22 momentarily. I do apologize for the delay. It's
23 because we switched.

24 CHAIRPERSON KALLOS: This is the second
25 work related tech delay. So, I am holding up a piece

1 COMMITTEE ON CONTRACTS 91

2 of paper on a digital device. This is page 142 of
3 what you sent over and so it has three-- sorry. It
4 has five columns. Assistant Commissioners, if you
5 are able to see that fifth column, can you tell me
6 what it says?

7 ASSISTANT COMMISSIONER LEVINE:
8 Unfortunately, it's not a high enough resolution. I
9 can see the box, but I can't make out the words.

10 CHAIRPERSON KALLOS: Does it look like
11 it says COVID related?

12 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

13 CHAIRPERSON KALLOS: Is it clear that
14 some places it is checked and other places it is not?

15 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
16 There is no X in the other boxes.

17 CHAIRPERSON KALLOS: So, you have
18 testified the document says that things were COVID
19 related and, yet, IBM actually provided an SOW where
20 it actually indicated a list of 72 changes to 311 and
21 a majority of those changes were not checked off as
22 COVID related.

23 ASSOCIATE COMMISSIONER ABOULAFIA: So,
24 as mentioned, previously, all of the work that was
25 under the contract is COVID related.

2 CHAIRPERSON KALLOS: Okay. On this
3 document, it says that one of the things we need to
4 do is-- let me just pull it up. So service change
5 number 34, "restore precinct-based routing for
6 parking [inaudible 02:04:41] misuse complaints".
7 That is number 34. That is page 15 of this work
8 order. That is page 144 of the document. COVID
9 related is not checked. Please tell me the emergency
10 COVID related necessity of parking permit misuse
11 complaints.

12 ASSISTANT COMMISSIONER LEVINE: Council
13 member, as my colleague at MOCS already testified,
14 all of the work under this contract is COVID related.
15 You know, I don't think that we're prepared to go
16 off, you know, item by item. But, again, I just want
17 to repeat what Robert and what MOCS has said which is
18 that we previously indicated that all of the spending
19 is COVID related.

20 CHAIRPERSON KALLOS: It, literally,
21 doesn't have the check box next to it. There's no
22 check box. It doesn't say COVID related. How are
23 parking permits COVID related? This is where you say
24 that you will look into it and will fix that and we
25 will pull that out of the emergency contract. It

2 shouldn't have been here to begin with. You have the
3 document in front of you. I got it from you. I'm
4 holding it up in front of my camera just in case.

5 ASSOCIATE COMMISSIONER ABOULAFIA: So,
6 we will have to get back to you on that, Council
7 member Kallos.

8 CHAIRPERSON KALLOS: Is there a
9 checkmark next to item number 34 for COVID related or
10 not? Are parking placards COVID related according to
11 this document?

12 ASSISTANT COMMISSIONER LEVINE: Council
13 member, again, I don't think we're going to go by
14 this item by item. You know, my colleague--

15 CHAIRPERSON KALLOS: But, no. We are.
16 That's what the Contracts Committee does. This is
17 oversight. This is us looking at a contract that was
18 given as an emergency contract. You're telling us
19 that everything is coronavirus related. There's
20 literally a column that says these things aren't
21 related and I'm not trying to make you squirm. I'm
22 just trying to get you guys to admit that pieces
23 shouldn't have been part of an emergency procurement
24 and that we needed to do a little bit better and
25 treat emergencies and emergencies and everything else

2 can go through a regular process. But anything else
3 is gaslighting, at best. And like you are under
4 oath.

5 ASSISTANT COMMISSIONER LEVINE:

6 Certainly, I hear you and I appreciate that point.
7 You know, I want to circle back with my team here so
8 that we're getting you the right information. As you
9 know, we gave you over 1800 pages of documents, I
10 think it was, so I just certainly want to make sure
11 that I follow up with the team and have all--

12 CHAIRPERSON KALLOS: How many people
13 work at DOITT? How many employees do you have?

14 ASSISTANT COMMISSIONER LEVINE: I know
15 what you're asking. I know what you're really asking
16 is how many people are working on this particular
17 issue. Certainly, after this hearing, you know, I
18 know many of my colleagues are streaming this hearing
19 right now. Obviously, they know that this is of
20 utmost priority--

21 CHAIRPERSON KALLOS: Then they can send
22 you the information. What I'm just going to say is
23 you have hundreds of employees at DOITT. You've got
24 me. You've got Adam Bermudez, my legislative
25 director. You've got Alex Polinov, my committee

2 counsel. And you're got Leah Scripiak and both of
3 them are working on multiple committees. So, when
4 you say we gave you 1800 documents, that is what I,
5 as an attorney in the business, call the burying your
6 opponent in paper so that they can't find anything.
7 And so, going through here, we are seeing that there
8 is a lot in this contract that weren't emergencies
9 and weren't COVID related. Do you believe that when
10 the federal government sees this hearing, that when
11 my Congress member, Karen Maloney over the Oversight
12 Committee sees this hearing, do you believe you will
13 be able to get reimbursed for the parking permit
14 misuse complaints that do not have a checkbox next to
15 it for COVID related?

16 ASSISTANT COMMISSIONER LEVINE: Again, I
17 just want to follow up on a point that we've made
18 before but I think really, certainly, bears repeating
19 which is, you know, all the work that we've done is
20 directly related to the pandemic. You know, March
21 2020 we very quickly had to finish-- you know, we
22 very quickly had to stand up a work from home
23 situation and ensure continuity of services,
24 unprecedented technology needs and dealing with
25 Council member with very old technology here. So,

2 broadly, you know, I just want to bring it back to
3 the point that the pandemic is still underway and
4 that everything that we've done has been driven, you
5 know-- my colleague spoke to all the checks that are
6 in places. But I just want to, again, bring it back
7 to the necessity that the work be done quickly and
8 that there be continuity of services.

9 CHAIRPERSON KALLOS: Do you plan to
10 submit, as a COVID related need to the federal
11 government, reimbursement for parking placards?

12 ASSISTANT COMMISSIONER LEVINE: I
13 believe earlier my colleagues at MOCS, as well at
14 DOITT, said that in regards to Council member
15 Rosenthal's question about federal reimbursement that
16 we are going to have to follow up with OMB and some
17 others, so with your question--

18 CHAIRPERSON KALLOS: Director Olds, do
19 you plan to support a request for reimbursement under
20 COVID federal funds for parking placards when you
21 know that, at a public hearing, that that item does
22 not have a checkmark next to it indicating COVID
23 related?

24 DIRECTOR OLDS: Well, what I think we
25 need to do following the hearing is circle back with

2 DOITT to take a look at the contract to see what was
3 included within it to make sure that everything that
4 should have been included in the contract was.

5 That's what I think is the next step.

6 CHAIRPERSON KALLOS: Director, I think
7 that was a very honest answer. I did not put you in
8 a good position and I appreciate it, but you're the
9 first one, so far, to be honest about the fact that
10 there are some inconsistencies in the contract.

11 Another example. Work order task number 51 on here
12 is around the Asian Longhorn Beetle. Was the Asian
13 Longhorn Beetle, number 51. I'll put a star next to
14 it. Do you have the documents in front of you yet?

15 ASSISTANT COMMISSIONER LEVINE: No,
16 Council member. Unfortunately, we don't.

17 CHAIRPERSON KALLOS: Seems awfully
18 intentional at this point. It's been a couple of
19 hours since the hearing has been going. I was able
20 to pull it up on my laptop. So, here is a printout
21 of the document and we've got the Asian Longhorn
22 Beetle. Updated missed collection complaint. Logic
23 to remove block or for wood reports in Brooklyn or
24 Queens. Wood pickup by Parks Department versus DSNY
25 due to Asian Longhorn Beetle has ended. We actually

1 COMMITTEE ON CONTRACTS 98

2 got good news. No more Asian Longhorn Beetles. Is
3 this COVID related? There's no checkmark in the
4 COVID box. Do you see that there is no checkbox in
5 the COVID box? Is the Longhorn Beetle no longer
6 plaguing New York City COVID related?

7 ASSOCIATE COMMISSIONER ABOULAFIA: So,
8 as mentioned previously, Council member, all service
9 provided under this contract are emergency related.

10 CHAIRPERSON KALLOS: And you acknowledge
11 that you're under oath?

12 ASSOCIATE COMMISSIONER ABOULAFIA:
13 Correct.

14 CHAIRPERSON KALLOS: You are saying
15 under oath that the Asian Longhorn Beetle is related
16 to the pandemic?

17 ASSOCIATE COMMISSIONER ABOULAFIA: As I
18 stated previously, all services under the contract
19 are emergency related.

20 ASSISTANT COMMISSIONER LEVINE: Council
21 member, if I may interject here, I appreciate--

22 CHAIRPERSON KALLOS: Robert, I just have
23 to ask you just from one person to another, like why--
24 -- Like why perjure yourself over something as silly
25 as this? Like were you involved in this?

2 ASSOCIATE COMMISSIONER ABOULAFIA: I
3 think there's more complexity from a technology
4 perspective.

5 ASSISTANT COMMISSIONER LEVINE: Council
6 member, if I may. I'm sorry to interrupt. What I
7 wanted to is, of course, as you know, this hearing--
8 you know, this is an oversight hearing on emergency
9 procurement. Robert is our procurement vendor
10 management point person which is why he's here today.
11 I appreciate how thorough you're being in kind of
12 going through the contract and calling out specific
13 items, but we're not prepared to speak on each
14 specific item because as you bring items to our
15 attention, you know, we don't want to speak off the
16 cuff. I, honestly, do want to follow up with the
17 appropriate colleagues at DOITT to get more
18 information about this because, to Robert's point,
19 I'm sure there's more complexity here. And, you
20 know, he's not the subject matter expert on--

21 CHAIRPERSON KALLOS: When did we request
22 this contract? When did we start requesting these
23 materials?

24 ASSISTANT COMMISSIONER LEVINE: I don't
25 recall.

2 CHAIRPERSON KALLOS: Would you believe
3 me if I told you August 17th, 2021?

4 ASSISTANT COMMISSIONER LEVINE:

5 Certainly. I would believe you, Council member.

6 CHAIRPERSON KALLOS: So, August,
7 September, October. We're at the end of November.
8 You've had four months that we're requested to meet
9 with DOITT and we've requested to meet with your
10 Commissioner. No secret. I've got 32 days left. I
11 should be a lame duck. I shouldn't matter. This
12 hearing shouldn't matter. You're saying you want to
13 do all the right things now. Why couldn't DOITT be
14 responsive before this hearing? Why did I even have
15 to call this hearing and waste everybody's time to
16 begin with?

17 ASSISTANT COMMISSIONER LEVINE: Well,
18 first of all, it's certainly never a waste of our
19 time to appear before the Council. I've worked with
20 the Council for a long time and I have nothing but
21 respect and love for the Council. And to your point,
22 certainly, we want to get you the right information.
23 I want to make sure that I have all the necessary
24 contacts which I don't have here today and I just
25 don't want to misspeak or speak off the cuff. Of

2 course, I was aware at a high level that you were
3 having conversations with, you know, city Legislative
4 Affairs. But, again, for today's hearing, I wish I
5 could give you more context, but I can't today. But
6 I can, certainly, commit to following up with you
7 after the hearing on these specific items that you're
8 bringing to our attention today. I don't know that
9 some of the items that you're bringing to us today, I
10 don't know that those were things that had previously
11 been flagged for us prior to this hearing.

12 CHAIRPERSON KALLOS: Robin, I've known
13 you for a very long time. You did great work at the
14 Council. You do great work for DOITT. Did you sign
15 any of these contracts? Did you have anything to do
16 with these statements of work? Is your name on any
17 of these things?

18 ASSISTANT COMMISSIONER LEVINE: No. It
19 is not.

20 CHAIRPERSON KALLOS: Same thing for you,
21 Assistant Commissioner Robert Aboulafia. Is your
22 name on any of these contracts? Did you sign of this
23 stuff?

24 ASSOCIATE COMMISSIONER ABOULAFIA: So,
25 as the chief contracting officer, I would have signed

2 off on any procurement documentation for those
3 procurements.

4 CHAIRPERSON KALLOS: Why is it Deputy
5 Commissioner Joseph Antonelli's name is on all these
6 documents and Commissioner Jessie Tisch's name on all
7 these documents and not you?

8 ASSOCIATE COMMISSIONER ABOULAFIA: They
9 have the delegation to sign contractual documents.

10 CHAIRPERSON KALLOS: So, you are an
11 Assistant Commissioner--

12 ASSOCIATE COMMISSIONER ABOULAFIA:
13 Associate Commissioner.

14 CHAIRPERSON KALLOS: Say again.

15 ASSOCIATE COMMISSIONER ABOULAFIA:
16 Associate Commissioner.

17 CHAIRPERSON KALLOS: You are an
18 Associate Commissioner. Forgive me. So, how often
19 are contracts signed by a Deputy Commissioner or the
20 Commissioner themselves versus you?

21 ASSOCIATE COMMISSIONER ABOULAFIA: As I
22 mentioned previously, I do not have delegation to
23 sign off on a contract for DOITT.

24 CHAIRPERSON KALLOS: So, only Joseph
25 Antonelli can sign off on a contract?

2 ASSOCIATE COMMISSIONER ABOULAFIA:

3 There are established delegations within DOITT
4 and Deputy Commissioner Antonelli has a delegation to
5 sign off on contracts.

6 CHAIRPERSON KALLOS: Do you report to
7 Deputy Commissioner Antonelli?

8 ASSOCIATE COMMISSIONER ABOULAFIA:

9 Correct.

10 CHAIRPERSON KALLOS: And does that
11 person have the ability to hire and fire you?

12 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

13 CHAIRPERSON KALLOS: Okay. And then,
14 the other name on these documents is Jessie Tisch,
15 Commissioner for DOITT. Do they have the power to
16 hire and fire you?

17 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

18 That is correct.

19 CHAIRPERSON KALLOS: Okay. Do you know
20 why you are here testifying about contracts that you
21 never signed and SOW's you never signed?

22 ASSISTANT COMMISSIONER LEVINE: If I
23 may, again, Council member, I hear you and I
24 appreciate you. You know, the topic of this hearing
25 is oversight on emergency procurement during the

2 pandemic and, as I said, my colleague, Associate
3 Commissioner over here, you know, he specifically
4 focuses on procurement and vendor management and so,
5 to the extent that our understanding is that you're
6 questions-- you know, the topic of the hearing would
7 be about procurement, we sent our procurement person
8 today to speak to that at today's hearing.

9 CHAIRPERSON KALLOS: Associate
10 Commissioner Robert Aboulafia, these SOW's, were you
11 involved in approving them and were you involved in
12 managing their work or was it something that was
13 handled at the Deputy Commissioner level?

14 ASSOCIATE COMMISSIONER ABOULAFIA: Just
15 bear with me one sec. So, when DOITT established
16 the emergency contract, we did so with an
17 understanding that the highest order of contract
18 management and program oversight was required. To
19 that end, all work done under the contract is
20 authorized in the form of a work order, 36 of which
21 were produced prior to this hearing. These work
22 orders set out the total cost allowed for work
23 required, the resources to be utilized, and the
24 number of hours allowed. Work orders are reviewed
25 and approved by multiple DOITT divisions, including

2 DOITT's chief operating officer, the technical
3 program manager, the chief financial officer's team,
4 and the Deputy Commissioner for management and
5 budget's team. The Deputy Commissioner for
6 management and budget is the final sign off on all
7 work orders. Regular project management meetings to
8 review cost and vendor performance are held by
9 DOITT's chief operating officer, the DOITT technical
10 lead on the program. The chief financial officer and
11 the Deputy Commissioner for management and budget
12 offices also plays a role, as well.

13 CHAIRPERSON KALLOS: Who is the COO?

14 ASSOCIATE COMMISSIONER ABOULAFIA: The
15 chief operating officer of DOITT is Mike McGraff.

16 CHAIRPERSON KALLOS: And Mike McGraff
17 had direct relationship with this?

18 ASSOCIATE COMMISSIONER ABOULAFIA: As
19 mentioned--

20 CHAIRPERSON KALLOS: And who was the
21 other person? The CFO? Who is that?

22 ASSOCIATE COMMISSIONER ABOULAFIA: If
23 it helps you, we can send you the entire work chart
24 after the meeting. Would that be helpful to you?

2 CHAIRPERSON KALLOS: The only thing that
3 helps me is what happens in the four squares of this
4 hearing. I will be very honest. I've been a Council
5 member now for seven year and almost 11 months. Any
6 time I've been promised something after the hearing,
7 I don't think I-- I wouldn't be my life on whether
8 or not I get documents after a hearing. It's not a
9 reflection on you. I think this is our first hearing
10 with DOITT. So, who is the-- it's the chief program
11 officer? Is that what you said?

12 ASSOCIATE COMMISSIONER ABOULAFIA: So,
13 okay. I'll just reread the sentence. Regular
14 project management meetings to review cost and vendor
15 performance are held by DOITT's chief operating
16 officer, the DOITT technical lead on the program, the
17 chief financial officer and the Deputy Commissioner
18 for management and budget.

19 CHAIRPERSON KALLOS: So, who is the
20 chief financial officer?

21 ASSOCIATE COMMISSIONER ABOULAFIA: The
22 chief financial officer for DOITT is Laura Lee
23 Giovanella.

24 CHAIRPERSON KALLOS: And for the Deputy
25 at OMB, who is that?

1 COMMITTEE ON CONTRACTS 107

2 ASSOCIATE COMMISSIONER ABOULAFIA: So,
3 the Deputy Commissioner for management and budget is
4 Joe Antonelli.

5 CHAIRPERSON KALLOS: Got it. But all
6 these people are within DOITT?

7 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
8 That is correct.

9 CHAIRPERSON KALLOS: Okay. In the list
10 of names of people who are in the meetings, you did
11 not mention the Associate Commissioner, being you.
12 So you are not part of these meetings?

13 ASSOCIATE COMMISSIONER ABOULAFIA:
14 Correct.

15 CHAIRPERSON KALLOS: Okay. So, I've
16 known Robin forever. Robert, I'm just meeting you,
17 but my argument would be these other people should be
18 the ones who are testifying and I get the wish to do
19 a good job and fight the good fight, but just I
20 counsel you to just be honest with the deck you've
21 been handed and, if possible, I might ask one or both
22 of you to reach out to them and ask them if they can
23 come to this hearing because I think that they could
24 better answer these questions. I don't think it's
25 fair for me to be asking these questions. I'm going

2 to keep going, but I don't think it was fair for the
3 two of you to be asked to testify on these items when
4 you weren't approving these things and so you may not
5 be as familiar with the details as, perhaps, the
6 people whose responsibilities it was should be. If
7 you were to take a look at phase II on page 179 and
8 phase III on page 315, there's references to 311
9 upgrades and makes no mention of COVID at all in the
10 work orders and it's just about updating the 311
11 service requests and expanding mobile app
12 development. And so, I guess the question is were
13 any of the things that have happened at 311 on phase
14 II or phase III items or upgrades that were planned
15 or necessary before the pandemic?

16 ASSISTANT COMMISSIONER LEVINE: One
17 moment, Council member. We were finally able to pull
18 the documents up.

19 CHAIRPERSON KALLOS: Yay.

20 ASSOCIATE COMMISSIONER ABOULAFIA: So,
21 we've sort of reiterated this, but I will repeat.
22 The work that was performed under the IBM emergency
23 contract related to 311 was critical for the city's
24 response to the COVID pandemic and was performed in
25 the best interests of the city of New York.

2 CHAIRPERSON KALLOS: So, on page 183 of
3 this document that was provided, IBM 029311 phase II,
4 it says, "requests to extend the 311 application
5 originated from city agencies, the Mayor's Office, or
6 directives from legal and cyber mandates". There's
7 no reference of COVID. We will share this document
8 on our website. Sorry. On the Council website.
9 Phase II, phase III we are spending \$7 million on--
10 so, for phase II, page 814, core platform development
11 is 51.9percent of the contract. Service requests
12 were only 33percent. The 311 portal is 4.7 and
13 enterprise correspondent is 7.1. So, just talking
14 about 311, it's just so much money in emergency
15 contracts and I guess the platform that 311 operates
16 on, is an owned by IBM? Is IBM the only company
17 that's allowed to make changes to this platform? Are
18 you allowed to make changes? Is there anyone at
19 DOITT that's allowed to make changes to the 311
20 platform?

21 ASSOCIATE COMMISSIONER ABOULAFIA:

22 Thank you for that question, Council member. IBM
23 was contracted for those services for 311 in the best
24 interest of the city under the emergency contract.

2 CHAIRPERSON KALLOS: Is there anyone at
3 DOITT that has the ability to make changes to service
4 requests or other items on the 311 system?

5 ASSISTANT COMMISSIONER LEVINE: So, what
6 you're asking is a technical question over who can do
7 that. That's something that I would-- I'm sorry,
8 Council member. I just want to follow up with you on
9 after the hearing. I don't want to misspeak on the
10 technical back end of 311 at this hearing right now.

11 CHAIRPERSON KALLOS: If you can pull up
12 page 190 for your work chart on 311.

13 UNIDENTIFIED: I can't pull up that
14 page [inaudible 02:28:57].

15 CHAIRPERSON KALLOS: So, this is the
16 work chart on 311. Up top, there are two boxes. The
17 boxes that are in green says DOITT management. The
18 boxes in blue say IBM management. There is a square
19 and that square says 311 app team and there's a top
20 square with three boxes. The first one is a product
21 manager that comes from DOITT. Then there's an IT
22 project director which is in blue which means IBM.
23 And then there's a functional lead/MGR which I
24 imagine means managers that is, again, DOITT. Then,
25 there appears to be a second box below that. it has

2 four boxes. And it has architects and dev ops and
3 that box is shaded half green and half blue which I
4 take to mean that it is a team of both DOITT and IBM
5 people. The reason I'm reading this through, for
6 anyone wondering as this was the directive I was
7 given by our Council in terms of some visuals. There
8 are three boxes that say performance testing, system
9 analysts, release management, support management.
10 Those are all in blue which indicate IBM. Then there
11 are five SCRUM teams. SCRUM teams are good thing.
12 That's agile project development. I like that.
13 There cross functional. And so, you have SCRUM
14 Masters and you have come across the five teams you
15 have four SCRUM masters that are entirely IBM and one
16 SCRUM master which is entirely DOITT. Similarly, you
17 have, of the five SCRUM teams, your five developers
18 and three out of the five are half DOITT and half
19 IBM. Then you have testers out of five SCRUM teams.
20 Three out of the five are half DOITT, half IBM. One
21 of them is entirely IBM. One of them is entirely
22 DOITT. Last, but not least, there are five business
23 analysts. Four of them are IBM, one of them is
24 DOITT. Then, there is one UIUX person on SCRUM team
25 five which is highlighted mobile and that person is

1 COMMITTEE ON CONTRACTS

112

2 entirely IBM. So, if you can unmute and tell me does
3 DOITT have people who can do this work?

4 ASSOCIATE COMMISSIONER ABOULAFIA: My
5 apologies, Council member. Can you repeat the
6 question, please?

7 CHAIRPERSON KALLOS: I cannot. I just
8 verbally described an entire chart. It's up on the
9 screen. But the question is, in point, do you have
10 developers, testers, business analysts, SCRUM
11 masters, architects, dev ops, product manager,
12 functional leads, and managers that you can use
13 instead of having to pay IBM?

14 ASSISTANT COMMISSIONER LEVINE: Thank you
15 for that question, Council member. Thank you for
16 sharing that chart with me.

17 ASSISTANT COMMISSIONER LEVINE:

18 It's your chart.

19 ASSISTANT COMMISSIONER LEVINE: Yes.

20 Well, I don't have it in front of me, so thank you
21 for sharing it with us. Certainly, I hear your
22 concerns today. You know, we're absolutely committed
23 to looking into this for you.

24

25

2 CHAIRPERSON KALLOS: Do you guys have
3 staff who can modify 311 yourselves? This chart
4 says yes.

5 ASSISTANT COMMISSIONER LEVINE: Again,
6 you know, my understanding is that, you know, our
7 teams work very closely together, but, again, I don't
8 want to misspeak on this. So I hear your concerns.
9 I hear your point and I'm happy to circle back and
10 follow up with the team after this hearing.

11 CHAIRPERSON KALLOS: So, I'll just ask
12 very clearly. Do you have staff at DOITT who can
13 make updates and changes to 311? Yes or no?

14 ASSISTANT COMMISSIONER LEVINE: Again, I
15 just don't want to speak to the-- I don't want to
16 misspeak on the technical backend of 311. Obviously,
17 the city--

18 CHAIRPERSON KALLOS: Can somebody from
19 DOITT who has knowledge answer or can somebody who is
20 willing to read the chart in front of them that I've
21 verbally described just share like-- Again, this is
22 back to gaslighting and whether it's gaslighting at
23 best or lying under oath, like it's clear as day.
24 I've described it. I've read it. There are people
25 at DOITT who are SCRUM master, developers, testers,

1 COMMITTEE ON CONTRACTS 114

2 business analysts, project managers, architects. So
3 I think the only honest answer here is, yes, you do
4 have people who can do it. Associate Commissioner
5 Rob?

6 ASSOCIATE COMMISSIONER ABOULAFIA: As
7 Commissioner Levine just mentioned, we will have to
8 get back to you on that.

9 CHAIRPERSON KALLOS: Is this piece of
10 paper white?

11 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

12 CHAIRPERSON KALLOS: Okay. We can agree
13 on one thing at least. So there are SCRUM masters.
14 IBM is charging \$215 to \$245 an hour for a SCRUM
15 master. How much is a SCRUM master at-- How much do
16 you pay a SCRUM master at DOITT?

17 ASSOCIATE COMMISSIONER ABOULAFIA: So,
18 thank you for that question, Council member. We're
19 going to have to get back to you on that.

20 CHAIRPERSON KALLOS: Is DOITT currently
21 hiring?

22 ASSISTANT COMMISSIONER LEVINE: Council
23 member, back to your question about the cost, I do
24 want to refer you back to my colleague's testimony.
25 So, the paragraph on page, you know, one on-- I'm

2 sorry. I just-- I know it's here. Yeah. So I want
3 to note that right here in the testimony, we wanted
4 to make sure that you saw this part, as well. It was
5 the rates and terms that were included in the
6 emergency contract be consistent with rates and terms
7 previously negotiated in similar systems integrated
8 contracts with IBM. So, when you're asking about the
9 rate, I just want you to have that context that we
10 were working with, you know? We had rate charts that
11 were consistent with previous non-emergency spending,
12 right?

13 ASSOCIATE COMMISSIONER ABOULAFIA: That
14 is correct.

15 CHAIRPERSON KALLOS: So, just to make
16 this clear, city employees work 35 hours a week--
17 let's call it 52 weeks year. That is 1800 hours. As
18 an attorney, I had to regularly bill more than 2000
19 hours. Whatever you want to call it. Let's just
20 call it a low-end 1800. When you multiply 1820 times
21 245 an hour, you're talking about pain somebody
22 \$445,900 a year to be a SCRUM master. Now, the
23 question is is DOITT hiring? And so, I would ask you
24 to visit NYC.gov/site/DOITT/about/careers.page
25 because right now it looks like you've got 90

2 positions open. So, if you want to visit that page
3 so that you can get knowledge for yourself, I ask
4 again, is DOITT hiring?

5 ASSISTANT COMMISSIONER LEVINE: Again,
6 Council member, we are here specifically to talk
7 about emergency procurement during the pandemic. I
8 hear the points that you are making. I--

9 CHAIRPERSON KALLOS: I'm asking why we
10 are paying \$400,000 a year for somebody that DOITT is
11 currently trying to hire at 100 or \$150,000 a year.

12 ASSISTANT COMMISSIONER LEVINE: I hear
13 what you're saying and I'm certainly, you know,
14 committed to follow up. You know, when we are
15 talking about the pandemic, we are talking about
16 pandemic response.

17 CHAIRPERSON KALLOS: Will the pandemic
18 still be going in 2023?

19 ASSISTANT COMMISSIONER LEVINE: I mean,
20 unfortunately, you know, I can't tell what's going on
21 in the future. But what I can tell you is that, you
22 know, everything that DOITT has done has been with
23 the intention-- I think successfully so-- with
24 standing up new systems of supporting a tremendous
25 amount of infrastructure and making sure that we have

2 the ability to respond quickly and to quickly stand
3 up new emerging unexpected needs during the pandemic
4 which is still underway.

5 CHAIRPERSON KALLOS: Local law 63
6 requires that the Mayors Office publish a plan
7 detailing the anticipated contracting actions of each
8 city agency for the upcoming fiscal year in certain
9 categories of procurement. This seems to indicate
10 that the city is contracting out positions that could
11 be filled by city employees. MOCS, do you think that
12 this chart indicates that this work should be subject
13 to local law 63 in the absence of an emergency?
14 Victor, you are muted. We will unmute you. And I'm
15 going to you because I'm getting straighter answers
16 from you.

17 DIRECTOR OLDS: Thank you, Council
18 member. And, in fairness, I do believe that DOITT is
19 trying to answer your questions honestly.

20 CHAIRPERSON KALLOS: I have the wrong
21 people.

22 DIRECTOR OLDS: So, in the normal course
23 of a procurement that is not done pursuant to the
24 COVID emergency powers, as you know, we've talked
25 about local law 63 several times. Agencies will look

2 at the job titles and headcount that are associated
3 with the contract and they will look to see if that
4 work is overlapping in the contract that is
5 contracted out for. It doesn't necessarily mean that
6 there is displacement within the contract. There are
7 several items that appear on any agency's plan where
8 there are job titles and headcount. But, as you
9 know, Charter section 312 and local law 63 is
10 primarily concerned with whether or not there is
11 displacement on an upcoming city contract.

12 CHAIRPERSON KALLOS: Thank you for the
13 honest answer. We can have another hearing about
14 what the definition of displacement is. But at least
15 we got to have some common ground. So, I'm going to
16 direct folks to-- give me one second. I just have
17 to pull the right documents. On page 362 of the 3457
18 work order labeled IBM001MDMCR1, we have four
19 specialists-- this isn't for MOCS. This is for
20 DOITT again. Specialists one, two, three, and four
21 it is for Junior tester, on-site specialist 2. It is
22 at a rate of \$215 an hour for 1480 hours for a total
23 price of \$318,000 for nine months for a total of \$1.2
24 million. Are these people-- and this is for BM Ware

2 air watch operations staff augmentation. Are you
3 familiar with this contract? With this work order?

4 ASSISTANT COMMISSIONER LEVINE: Again,
5 Council member, we're going to have to follow up with
6 you on that one. I have my colleague here who is
7 taking notes for me, so we're compiling a list of all
8 the questions that we're going to have to follow up
9 with you on after the hearing. I just want to make
10 sure I get you the right, accurate information.

11 CHAIRPERSON KALLOS: It's \$1.2 million.
12 [inaudible 02:42:05] information, I believe, I
13 believe these people are still working for you. The
14 Department of Information Technology and
15 Communications actually advertised for a position of
16 DM Ware support engineer. It's currently actually up
17 on your website right now and it's for between
18 \$58,000 thousand dollars a year and \$130,000 dollars
19 a year. Associate Commissioner Robert Aboulafia,
20 would you be open to save the city several million
21 dollars and go from paying the DM Ware specialists
22 \$300,000 dollars a year through IBM to hiring city
23 employees who can do the same work for between \$58
24 and 130,000 dollars a year?

1 COMMITTEE ON CONTRACTS

120

2 ASSISTANT COMMISSIONER LEVINE: You
3 know, I--

4 CHAIRPERSON KALLOS: My question was for
5 Associate Commissioner Robert Aboulafia.

6 ASSISTANT COMMISSIONER LEVINE: And I
7 understand and appreciate that, but I understand and
8 appreciate your questions, as well, Council member,
9 but I do want to not that my colleague does not
10 oversee HR matters and would not be the one hiring
11 for this type of position, so I don't think it would
12 be fair for him to speculate on something that he
13 doesn't work on or oversee.

14 CHAIRPERSON KALLOS: Robert, in your
15 job as Associate Commissioner for Procurement and
16 Vendor Management, have you ever had occasion to
17 insource a position?

18 ASSOCIATE COMMISSIONER ABOULAFIA:
19 You're saying to insource a position for
20 procurement?

21 CHAIRPERSON KALLOS: So, as you're
22 looking at something and you say, wow, we're spending
23 \$300,000 on these roles and we can hire this person
24 for a lot cheaper. Have you ever had occasion to be
25 involved in that?

1 COMMITTEE ON CONTRACTS 121

2 ASSOCIATE COMMISSIONER ABOULAFIA: So,
3 Council member, that does not fall under my purview.

4 CHAIRPERSON KALLOS: You've talked a lot
5 about industry standards. When you are managing a
6 contract such as this, did you review how much we
7 were paying a junior tester on site specialist to
8 make sure that they conform to industry standards?

9 ASSOCIATE COMMISSIONER ABOULAFIA:
10 Council member, as we mentioned in our testimony,
11 the rates under the emergency contract are consistent
12 with the existing rates under the IBM systems
13 integrator contract which was competitively procured.

14 CHAIRPERSON KALLOS: Do you think that
15 \$300,000 for a junior tester is a good number? Do
16 you think that that is what the market bears?
17 Because if I go on Indeed right now or any jobs board
18 and I type in DM Air Watch Operations Staff
19 Augmentation, then I get something like 80 to \$90,000
20 a year to hire them straight in the private sector.
21 We are offering \$150,000. \$130,000 as a city agency.

22 ASSOCIATE COMMISSIONER ABOULAFIA: So,
23 as mentioned previously, the rates under the original
24 IBM systems integrator contract were deemed fair and
25 reasonable.

1 COMMITTEE ON CONTRACTS 122

2 CHAIRPERSON KALLOS: Do you think-- Who
3 deemed them fair and reasonable?

4 ASSOCIATE COMMISSIONER ABOULAFIA: This
5 goes back to 2014, so it would be the DOITT ACO at
6 the time of 2014.

7 CHAIRPERSON KALLOS: Are you currently
8 the DOITT ACO?

9 ASSOCIATE COMMISSIONER ABOULAFIA: No.

10 CHAIRPERSON KALLOS: What is your role
11 for-- Who is the DOITT ACO?

12 ASSOCIATE COMMISSIONER ABOULAFIA: The
13 DOITT ACO's name is John Joy. He's the acting ACO
14 for the agency.

15 CHAIRPERSON KALLOS: Is John Joy able to
16 join us? I believe that we were advised-- correct
17 me if I'm wrong, counsel-- that the ACO would
18 actually be joining us for this hearing?

19 COMMITTEE COUNSEL: They didn't say ACO
20 directly. They advised us of the two DOITT reps who
21 are currently here.

22 CHAIRPERSON KALLOS: Thank you. I'm
23 corrected. Thank you for correcting me where I'm
24 wrong. I don't mind being wrong. Sometimes it's a
25 good surprise. My wife does it frequently. Ba dum

2 dum. Okay. So, as Associate Commissioner, are you
3 able to tell an ACO when their numbers are completely
4 off or are they superior to you and has power to hire
5 and fire you?

6 ASSOCIATE COMMISSIONER ABOULAFIA: So,
7 to go back to what I was saying previously, the rates
8 that were established under the IBM systems
9 integrator contract were approved as fair and
10 reasonable in 2014. So, that predates either my
11 working at DOITT or acting ACO Joy's working into it.

12 CHAIRPERSON KALLOS: Have you ever had
13 occasion to just say, this number is too high and
14 should be renegotiated your entire time at DOITT?

15 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
16 Absolutely. If we receive a rate--

17 CHAIRPERSON KALLOS: Amazing. That's
18 good. What were the examples where you did it?

19 ASSOCIATE COMMISSIONER ABOULAFIA: I
20 guess one example would be a situation where we've
21 conducted a large RPF and we found outliers in some
22 of the rates that were received and we would reach
23 out to the vendor to negotiate lower rates.

24 CHAIRPERSON KALLOS: Amazing. Now that
25 I brought the DM Ware Air Watch Operations Staff

2 Augmentation role to you and the fact that we are
3 paying them \$300,000 for nine months, is that a rule
4 that you would be open to considering going back to
5 the vendor renegotiating that rate?

6 ASSOCIATE COMMISSIONER ABOULAFIA: That
7 is a good question, Council member Kallos. I have to
8 be very honest with you. I have not reviewed in
9 great detail the qualifications that are required for
10 that title, so I--

11 CHAIRPERSON KALLOS: It's a DM Ware
12 certificate that you can go online and get. It is a
13 fairly low bar of entry and, in fact, I've been
14 talking to large blue chip companies about expanding
15 the pool of folks, including to people who might be
16 justice-involved, so that we can get these people who
17 may not have a high school or even college degree the
18 certificates they need to do these jobs.

19 ASSOCIATE COMMISSIONER ABOULAFIA:
20 Okay. So, I greatly appreciate that information,
21 but, again, that is really something that we would
22 want to discuss with our technical leadership to get
23 more context on.

24

25

2 CHAIRPERSON KALLOS: During the
3 pandemic, did DOITT stay in person or did you go
4 remote?

5 ASSOCIATE COMMISSIONER ABOULAFIA:

6 DOITT was generally remote.

7 CHAIRPERSON KALLOS: The role of junior
8 tester was for on site. We are paying \$318,000 a
9 year for four people to work on site. Do you know
10 what site they were working at and whether or not
11 they were, in fact, on site or if we were paying for
12 somebody to be on site who was actually remote?

13 ASSISTANT COMMISSIONER LEVINE: Council
14 member, as with what my colleague just said, the vast
15 majority of us were remote working, but there are
16 certain jobs that didn't require some of my
17 colleagues to remain on site for the duration of the
18 pandemic. It wasn't the majority of our employees,
19 but I believe there were a couple hundred foot who
20 still had to come in every day because their job
21 necessitated managing of equipment and all of that.

22 CHAIRPERSON KALLOS: It is DM Ware, so
23 there managing remote access. My question is just
24 whether or not you know if these four specialists
25 were actually on-site or not.

2 ASSOCIATE COMMISSIONER ABOULAFIA:

3 Again, that is something we would need to get
4 back to you on.

5 CHAIRPERSON KALLOS: Would you read that
6 when you try to determine what the fair market is, do
7 you take into account what the price is if you were
8 to go on a job search board or even what you are
9 currently offering to the employees to do the same
10 work?

11 ASSOCIATE COMMISSIONER ABOULAFIA: So,
12 as mentioned before, the rates that were established
13 under this emergency contract are consistent with the
14 existing rates that were in place under the DOITT
15 systems integrator contract which was led through a
16 competitive sealed proposal process and the rates
17 were determined to be fair and reasonable.

18 CHAIRPERSON KALLOS: When you did the
19 competitive bid, who was a \$33 million. That is not
20 \$200 million. Is that correct?

21 ASSOCIATE COMMISSIONER ABOULAFIA: So,
22 just to clarify, the \$33 million task order was a
23 separate care minute under this citywide system
24 integrator contract with IBM. In the emergency
25 contract is a separate contract with that. Yes.

2 CHAIRPERSON KALLOS: I am looking at
3 work order amendment three, four, five, seven, and
4 eight. In that document, we received 18 work
5 quarters and on those 18 work quarters, every single
6 one of them has the same page three and four which
7 has a chart on it and that chart says "the mission-
8 critical work stream and efforts identified and
9 addressed the following items: critical
10 infrastructure, application response and recovery for
11 COVID 19, emergency response, data sharing, data-
12 driven insights for disaster and recovery. Some of
13 those insights include network core, mobile device
14 management, security, detect and protect, 311, e-
15 arraignment, data share, data bridge". Do you
16 believe that by putting this boiler plate language on
17 every single procurement or every single work order
18 that that satisfies making it a COVID-related
19 emergency?

20 ASSOCIATE COMMISSIONER ABOULAFIA: So,
21 again, that's something we're going to have to get
22 back to you on, Council member. We have to review
23 this internally with our technical team. We really--

24 CHAIRPERSON KALLOS: [inaudible
25 02:52:59]

1 COMMITTEE ON CONTRACTS 128

2 ASSOCIATE COMMISSIONER ABOULAFIA: We

3 really were only prepared about the emergency
4 procurement process for this hearing.

5 CHAIRPERSON KALLOS: Are you saying that
6 we're now talking about things that might not be
7 emergency procurement?

8 ASSOCIATE COMMISSIONER ABOULAFIA: No.

9 CHAIRPERSON KALLOS: Some of this
10 procurement--

11 ASSOCIATE COMMISSIONER ABOULAFIA: No.

12 I would not say that.

13 CHAIRPERSON KALLOS: Okay. So, there's
14 this page that's on every single thing and so one of
15 the questions we had is we saw that, for the 311
16 contracts, it included this boiler plate language
17 that includes something called e-arraignment. In
18 terms of the 311 work orders, was there any impact on
19 the 311 work orders on e-arraignment? Is there an e-
20 arraignment component of 311 that was somehow missed
21 in the other work orders and service requests in the
22 MMR? I guess, why was e-arraignment included in the
23 311 statements of work?

24

25

2 ASSISTANT COMMISSIONER LEVINE: That's
3 something that we'll have to check in on and get back
4 to you on, Council member.

5 CHAIRPERSON KALLOS: To be clear,
6 everything you're saying is currently non-responsive.
7 At this point, you've testified that you did not have
8 personal knowledge. You testified to the names of
9 the people who did have personal knowledge and I
10 just, at this point, feel that it was worth fighting
11 with you on everything about. Just please note that
12 you are substantially noncompliant and, perhaps, even
13 in violation of the Charter. Additionally, we have
14 additional document requests that are outstanding.
15 For instance, the-- let's just throw into it. On
16 your first IBM work order, DOITT-IBM-001-MDM, the
17 only things-- Sorry. It's the second work order.
18 The first work is for the DM Ware Specialist. The
19 second work order, DOITT-IBM-002/sciencelogic, the
20 only deliverables has output in the contract-- so
21 the only outputs from this contract are MS Word,
22 Excel, MS Word, MS Word, MS Word, and a road map.
23 So, I believe six out of seven deliverables on this
24 contract which had a value of-- I have two monitors
25 so that's why I'm squinting and looking at the other

2 contract. I'm looking for the value. If anyone on
3 the team remembers it off the top of their head, let
4 me know. \$511,000. So we spend half a million
5 dollars on, I think, five Word documents. Associate
6 Commissioner Robert Aboulafia, are you proficient in
7 MS Word?

8 ASSOCIATE COMMISSIONER ABOULAFIA: I
9 guess. I don't know how to respond to that, but--

10 CHAIRPERSON KALLOS: I think the answer
11 is yes. Anyone can use MS Word. We graduated grade
12 school and high school. We're good at it. So I
13 guess the question is we're asking them to create
14 Word docs. This isn't software coding. This isn't
15 network engineering, but we're paying \$322 an hour
16 for technicians and technical people to draft Word
17 documents and Excel documents and PowerPoints. And
18 we had requested copies of these documents and City
19 Hall said that you would not be providing these
20 documents. Have you seen any of these half million
21 dollar documents? We were supposed to get a
22 discovery report section of the assessment report MS
23 Word document of findings. Have any of you ever seen
24 it?

1 COMMITTEE ON CONTRACTS 131

2 ASSOCIATE COMMISSIONER ABOULAFIA: So,
3 was this part of the request that came in late last
4 week?

5 CHAIRPERSON KALLOS: That's correct. In
6 reviewing the 1800 pages of documents, we kept
7 finding that documents were omitted and we kept
8 submitting additional requests. So, we figured you
9 spent half a million dollars on these document, you
10 might be able to get your hands on them pretty
11 quickly.

12 ASSOCIATE COMMISSIONER ABOULAFIA: So,
13 you know, we are aware of the additional document
14 request and we will be responsive to that request.

15 CHAIRPERSON KALLOS: Do you think that
16 spending half a million dollars on a Word document is
17 a good use of technical expertise?

18 ASSOCIATE COMMISSIONER ABOULAFIA: I
19 really don't know the specifics of what is inside.

20 CHAIRPERSON KALLOS: One of the outputs
21 is, quote, "a revised business requirement section of
22 the assessment report. MS Word document of findings
23 for DOITT proper." Science, logic, deployment
24 assessment, and gap analysis and science logic
25 improvisation plan. MS Word. Plan to enhance the

2 current science logic and implementation as
3 appropriate. It sounds like we actually ended up
4 paying them half a million dollars to, basically,
5 give us a bid on the work they were going to do. And
6 as far as I understand, usually, we don't pay people
7 to bid on our work. Do we pay people to bid on our
8 work? I guess that's a question.

9 ASSOCIATE COMMISSIONER ABOULAFIA: So,
10 we will provide a response to your document request
11 and, hopefully, it will provide some additional
12 context that you are looking for.

13 CHAIRPERSON KALLOS: In the context of
14 when you do an RFP, typically-- nonemergency-- and
15 somebody is coming up with a scope of work in
16 response to your RFP, do you pay them half a million
17 dollars for that? Because as far as I understand,
18 usually, they pay us.

19 ASSOCIATE COMMISSIONER ABOULAFIA: So,
20 I don't know if I'm totally following your question.

21 CHAIRPERSON KALLOS: When we put out an
22 RFP and say that we need somebody to build us an
23 app-- whatever it is-- do we pay the people who are
24 bidding-- if five people are bidding, do we pay each

2 of them for bidding on the project or do they have to
3 eat that expense?

4 ASSOCIATE COMMISSIONER ABOULAFIA: I
5 believe Victor is trying to weigh in on this.

6 CHAIRPERSON KALLOS: Victor?

7 DIRECTOR OLDS: Thank you, Council
8 member. Yep. So, I just want to reiterate something
9 that I think we all know but might be lost here is
10 that DOITT, like every other agency, was responding
11 to the pandemic in real time. And so, things that
12 would normally occur-- and I haven't reviewed any of
13 the specifics of this contract-- but generally
14 speaking, in the work that I was a part of, there are
15 lots of things that agencies would typically
16 undertake on their own that were done in
17 collaboration with vendors. So, for example, the
18 city usually sources all of its own material. It
19 finds its own vendors. When the global supply chain
20 broke down, we hired a vendor to help us find vendors
21 to source the PPE that we needed. The city,
22 typically, would never pay for that type of service,
23 but under the circumstances, we needed help with
24 doing things that we normally would have done. I
25 imagine that DOITT, at various times throughout the

2 pandemic, found itself in similar situations and was
3 looking for help in doing things that it might
4 normally be able to do under normal circumstances by
5 itself. Just to offer some context for how things
6 are going in the heat of the pandemic and, you know,
7 when everyone was trying to figure out just how to
8 keep the lights on and the city functioning.

9 CHAIRPERSON KALLOS: And I appreciate
10 that. But, I guess, while I have you, Victor, do we
11 typically pay vendors to bid on our RFPs?

12 DIRECTOR OLDS: Well, in the normal
13 course of the procurement process, no. The city will
14 put out a solicitation and then vendors will submit a
15 proposal that is evaluated and scored by the city and
16 whoever scores the best is the vendor that is awarded
17 the contract.

18 CHAIRPERSON KALLOS: Victor, I guess the
19 overall question-- and I had asked the Associate
20 Commissioner this-- but like whose job is it to make
21 sure that we are not spending \$300,000 through a
22 contractor on somebody we can hire for \$50,000
23 directly?

24 DIRECTOR OLDS: Sure. And we trust the
25 judgment of DOITT and its leadership in properly

2 evaluating its contract to ensure that the work that
3 it is contracting out for is necessary. You know,
4 and I have confidence that they are doing that
5 throughout the course of this contract. There are
6 questions that you have asked that Mr. Aboulafia and
7 Robin-- forgive me, I don't remember your last
8 name-- but might not be able to answer, but it
9 doesn't mean that DOITT doesn't have reasonable
10 answers to the questions that you're asking. And
11 this is not also to say that the questions that
12 you're asking are unreasonable. I think that I just
13 might require some follow up response that they are
14 not able to provide at this hearing.

15 CHAIRPERSON KALLOS: So, guess, speaking
16 abstractly, whether it is city time, whether it is
17 this, whether it is another contract-- So, we had an
18 entire hearing with you and DCAS around-- we tried
19 to buy aprons. COVID aprons when people were wearing
20 muddy suits at the beginning. We spent \$100 million
21 on it, I'm ball parking, and trying to vaguely
22 remember. And so, my question I asked Mersida
23 about-- it was like, how much money did we spend?
24 How much did we get back? And I think it ended up
25 being like we got \$80 million back on the contract

2 and things like that. But it sounded like DCAS was
3 really on top of it. If DCAS had dropped the ball,
4 whose steps in if things go wrong? So, did Mersida
5 do it all alone at DCAS or who steps and when the
6 emergency contracts go wrong because we don't have
7 the oversights, we don't have the protections, and
8 like fraud happens and theft happens and overbilling
9 happens.

10 DIRECTOR OLDS: Yep. So, I would say it
11 has always been-- This is one of the things that we
12 are proud of. It has always been a collaborative
13 effort. We talked about this last time, but there
14 have been virtually no instances of fraud. In the
15 city, over \$7 billion were used for purchases in
16 response to the pandemic. There were a few
17 contracts--

18 CHAIRPERSON KALLOS: Well, you caught
19 it. You caught it. You caught them. Like we didn't
20 lose the money, but like you caught the--

21 DIRECTOR OLDS: Well, like and we also
22 have the services that were paid for. We have the
23 goods that were bought. We have the vaccine sites
24 that were stood up. We have the testing sites that
25 were operational. I mean, we do have other confirmed

2 proof that we got whatever it is that we paid for.
3 There were a few instances where we were promised
4 things such as ventilators while working in the gray
5 market at the very height and beginning of the
6 pandemic where vendors were unable to perform. And
7 we involved the city's Law Department to help us to
8 recover that money and to take the appropriate legal
9 action and some cases were referred to the federal
10 government for prosecution. So, and state
11 government, as well. A so there are oversights that
12 are in place to ensure that we are receiving the
13 services that we need and I thin that, by and large,
14 the city's response to the pandemic has been
15 extraordinarily successful.

16 CHAIRPERSON KALLOS: Sure.

17 DIRECTOR OLDS: I think I may have
18 frozen for a moment. I don't know if you asked me a
19 question. Alex, are you still--

20 COMMITTEE COUNSEL: Yep. I'm still
21 here, Victor. I think, actually, we lost the Chair.

22 DIRECTOR OLDS: Okay. I'm glad it's not
23 me. I was just checking to make sure I wasn't
24 frozen.

2 COMMITTEE COUNSEL: Okay. I'm going to
3 say hold for a moment until the Chair returns. Oh,
4 he's back. Okay.

5 CHAIRPERSON KALLOS: Thank you. If I
6 can be promoted to co-chair. I'd appreciate that. I
7 have way too many windows open. I guess both to MOCS
8 and to Associate Commissioner Aboulafia, I brought up
9 a lot of examples. Do I have a commitment from one
10 or both of you to actually go through this with a
11 fine tooth comb, look at the salaries, look at the
12 differences between what DOITT is hiring at versus
13 what we're paying IBM and trying to control costs on
14 this project and insource and do as much of the work
15 ourselves as possible now that we're all getting our
16 triple boost of vaccines and, pretty much, hopefully,
17 coming out of this pandemic and this emergency?

18 DIRECTOR OLDS: We're happy to take a
19 look at the contract with DOITT.

20 CHAIRPERSON KALLOS: Amazing, Director
21 Olds. Amazing. And Associate Commissioner?

22 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.
23 We have a number of follow ups to address after this
24 call and, as always, we will work with MOCS to
25 address anything that needs to be addressed.

2 CHAIRPERSON KALLOS: For fear that other
3 things might get missed, so we talked about science
4 logic. On your fourth contract, DOITT-IBM-004-auto-
5 1-2 in the work order, it appears that the city paid
6 \$1.5 million for on PowerPoint, two pdfs, and some
7 sample YML code. Do you know if there was any
8 technical work done?

9 ASSOCIATE COMMISSIONER ABOULAFIA: So,
10 I believe that the cost that you're referring to
11 along-- also includes the services required for
12 those tasks, but we would-- if you can provide us a
13 specific section, we will take a look at that and get
14 back to you.

15 CHAIRPERSON KALLOS: It's IBM-004-auto-
16 1-2. I got it from you. What I would say is this
17 was for you to set up a Red Hat answerable automation
18 platform. And so that's a lot of jargon there. So
19 let me just simplify it for everybody. Red Hat is a
20 platform like Lennox and Lennox is like Microsoft
21 Windows 10. So, whether you are running your
22 computer on Windows 10 or on MAC OS or you are
23 running it on Lennox, it's an operating system and
24 answerable automation platform is what folks who work
25 at your office, if you work at office anywhere,

2 there's been a time where they are like, leave your
3 computer on tonight because they're going to do a
4 major update and you're going to go from Windows 8 to
5 Windows 10 tonight. So, when you come in, make sure
6 all your documents are wiped. Yada yada yada. This
7 is that but for Lennox. And so, I guess, the big
8 question is was there any technical work done? What
9 did IBM actually do here? How many servers are we
10 actually talking about and why not just have one of
11 your own [inaudible 03:08:12] set up the answerable
12 system?

13 ASSOCIATE COMMISSIONER ABOULAFIA:

14 Yeah. We will provide responses on all of those
15 questions.

16 CHAIRPERSON KALLOS: Okay. Just like
17 put it in perspective, like-- let me just grab my
18 pocket. So, like this is my keychain. This is my
19 Lennox server. I can literally plug it into any
20 computer and run my own platform. So, like setting
21 up answerable is something that can literally do and
22 it would not take me \$1.2 million or \$1.5 million
23 worth of time to do it. Work order number 11, we
24 paid \$224,000 for a cloud engineer. Right now, DOITT
25 hiring a senior cloud engineer for \$145,000. Is

2 there a reason why we can't use one of your senior
3 cloud engineers and \$100,000?

4 ASSOCIATE COMMISSIONER ABOULAFIA:

5 Yeah. Sorry, Council member. Thank you for the
6 question. As my colleague, Robin Levine, mentioned
7 earlier, you know, we are not oversee the HR for
8 action at the agency, so, you know, that is the
9 question we would need to take back in regard to the
10 qualifications required for that title as compared to
11 what DOITT is receiving through the IBM contract.

12 CHAIRPERSON KALLOS: If you go to
13 careers at DOITT. So, again, I don't know if you're
14 able to open it on your computer,
15 NYC.gov/site/DOITT/about/careers.page, there is
16 something like 90 positions there. Is DOITT amidst a
17 hiring freeze?

18 ASSISTANT COMMISSIONER LEVINE: I'm
19 sorry. You asked about a hiring freeze. Neither of
20 us oversee HR, so I don't want to misspeak here, but
21 I understand that our team works with OMB on eligible
22 hires. But, again, I'm sorry, Council member. I
23 know this is frustrating for you and, you know, I'm
24 happy to commit to getting you, you know, answers in
25 writing--

2 CHAIRPERSON KALLOS: Is there are reason
3 why the Chief Operations Officer or why the
4 Commissioner was afraid to show up and answer these
5 questions today? Would they have been able answer
6 these questions?

7 ASSISTANT COMMISSIONER LEVINE: I
8 apologize, Council member. I think we accidentally
9 got muted. You know, our understanding was that this
10 was an oversight hearing broadly on emergency
11 procurement during the pandemic and, as such, we felt
12 we would produce our Associate Commissioner for
13 Procurement and Vendor Management to speak about
14 procurement, but I understand that you have a lot of
15 technical questions. I know that you're going
16 through all of the documents that we sent you. And
17 so I understand your line of questioning and I
18 certainly appreciate it and, like I said, I can
19 commit to getting you answers in writing, but to the
20 extent that you have these technical questions about
21 the technical work that was going on, that that is
22 something that we're going to have to get back to you
23 on.

24 CHAIRPERSON KALLOS: What does DOITT
25 stand for?

2 ASSISTANT COMMISSIONER LEVINE: The
3 Department of Information Technology and
4 Telecommunications.

5 CHAIRPERSON KALLOS: And so, like you
6 guys do technical work?

7 ASSISTANT COMMISSIONER LEVINE: Yes.

8 CHAIRPERSON KALLOS: I'm a Council
9 member. We are not known for being the most
10 technical people. In looking at the job postings,
11 you've got something like 90 job postings. Some of
12 them go back to 2019. Do you believe your agency
13 would be better suited to have taken on this pandemic
14 without having to spend hundreds of millions of
15 dollars on contracts if you had fully staffed up and
16 had the in-house talent to take on a lot of the
17 challenges that 311 was facing?

18 ASSISTANT COMMISSIONER LEVINE: As I
19 said earlier, Council member, our top priority was
20 making sure that we were able to put into action
21 COVID response as quickly as possible and so we were
22 able to leverage this IBM contract to do just that
23 and helped New Yorkers during the pandemic which is
24 still going on.

2 CHAIRPERSON KALLOS: So, somebody from
3 my team points out, you keep saying that you didn't
4 know that this was going to be about IBM. I'm
5 looking at your testimony which is five pages long
6 and, aside from a brief introduction for yourself and
7 the Associate Commissioner, everything in this
8 document from that on forward is about the IBM
9 contract. Is that correct?

10 ASSOCIATE COMMISSIONER ABOULAFIA:

11 Well, I don't think there was ever any doubt that
12 we were here to talk about the IBM emergency
13 contract.

14 CHAIRPERSON KALLOS: Great. Were on the
15 same page again. With regards to the cloud engineer,
16 you talked about that one-- So, work order number
17 12-- and I will throw this over to both of you. Let
18 me just pull up the page. Page 157. So, near as I
19 can tell, from work order number 12, it appears to be
20 nothing more than paying IBM to actually bill us.
21 This was a contract that was issued in May of 2020
22 and we-- Literally, one of the items on page 162 is
23 we are paying IBM to, quote, "sign off timesheets in
24 a timely manner, but at least within three working
25 days after submission of the timesheets". So, I

2 guess, to Director Olds, I'd advocated alongside MOCS
3 for years to cover overhead. Is the city now in a
4 situation where we will actually cover costs for for-
5 profit and non-profit providers to do time sheets?
6 Directly hourly.

7 DIRECTOR OLDS: I haven't reviewed any
8 of the work orders that you're referring to, so happy
9 to circle back with DOITT and take a look at what
10 each of the work orders entailed.

11 CHAIRPERSON KALLOS: I guess, Director
12 Olds, have you ever seen a contract where the city
13 was paying for somebody else to go through their own
14 employees' timesheets?

15 DIRECTOR OLDS: I imagine that it's part
16 of a broader scope of work. But, again, without
17 having seen that work order specifically or what is
18 referenced or what is intended-- and I don't want to
19 speak out of turn. I would rather circle back with
20 DOITT and understand what that work order was
21 intended to convey.

22 CHAIRPERSON KALLOS: Another item on the
23 contract was reviewing-- quote, "reviewing with IBM
24 any invoice or billing requirement". Is that
25 typically a bill for activity?

2 DIRECTOR OLDS: Again, I think we would
3 have to talk to DOITT about what was intended and
4 that work order. MOCS doesn't review your sign off
5 on work orders. I mean, those are specific to every
6 contract, so we haven't seen these and happy to talk
7 to DOITT about what was encompassed within the work
8 orders.

9 CHAIRPERSON KALLOS: Sure. Over to
10 DOITT. Do you frequently pay vendors for the time it
11 takes for them to check their own timesheets for
12 their employees?

13 ASSISTANT COMMISSIONER LEVINE: Again,
14 Council member, to the point that my colleague at
15 MOCS just made, I really would like to circle back
16 with our team here to get you all necessary context
17 here. I don't want to misspeak on this. And so, you
18 know, as I said, were happy to, you know, get back to
19 you in writing all of these questions. But, you
20 know, I just want to confirm with my colleagues so I
21 can get you as much context as is necessary.

22 CHAIRPERSON KALLOS: So, this contract
23 cost us \$1.25 million. The least expensive person on
24 this is a PMO analyst, Junior SCRUM master, project
25 manager. We are paying \$220 an hour and so we are

2 paying somebody \$220 an hour to sign off on
3 timesheets in a timely manner to review with IBM any
4 price or billing requirement. Just if you called to
5 dispute a bill, whether it was your cable company,
6 your phone company, or even an attorney, like what
7 would you do if they build you for the time it
8 dispute your bill? Rob? What would you do if
9 somebody billed you to-- You call the cable company
10 and you say, you are over billing me. You're
11 supposed to charge me \$90. You're charging me \$120.
12 And they are like, it's going to cost you \$500 for
13 you to dispute this bill.

14 ASSISTANT COMMISSIONER LEVINE: You
15 know, I'm not going to engage in hypotheticals,
16 Council member, but, again, you know, I'm happy to
17 follow-up with the team and get back to you on this.

18 CHAIRPERSON KALLOS: And we have an on
19 this for three and a half hours and out of your team
20 members are able to join this hearing? I've got all
21 day and I've got all night.

22 ASSISTANT COMMISSIONER LEVINE: As I
23 said, Council member, I understand you of
24 questioning. I know where you are going. Like I
25 understand and appreciate your line of questioning

2 and I am happy to follow-up with my team. I'm happy
3 to get you print responses. I know you said that you
4 don't always get written responses, but if you talk
5 to Chair Holden, we are very good about follow-up.
6 So, I want to make sure that--

7 CHAIRPERSON KALLOS: The only thing I
8 really want from you is a letter saying that we have
9 exposed some inconsistencies in the contracting
10 process and that you are going to go through the
11 regular contracting process on this and that we are
12 going to cancel the 120 something million dollar--
13 \$122.4 million contract and that we are going
14 actually like get the cost down and do it in-house
15 and get this competitively bid so that we can get the
16 cost down and save taxpayer money. That is all I
17 really want. That is what I have asked for since
18 August. Like I pay taxes. All of us do. It feels
19 like it's being wasted to the tune of millions and
20 millions of dollars and it's like I don't have
21 anybody here who is responsible for making sure that
22 there are cost controls. It sounds like the people
23 who do the cost controls didn't feel that it was the
24 job to show up. It was their job to manage the
25 contract and that's not their job to show up tune

2 oversight hearing. This oversight hearing was about
3 the IBM contract and the contract was, basically,
4 work orders. Now, it sounds from everyone that is
5 testifying that none of you have reviewed the work
6 orders prior to this hearing. Is that correct?

7 ASSOCIATE COMMISSIONER ABOULAFIA: No.
8 That is not correct.

9 CHAIRPERSON KALLOS: So you did review
10 the work orders?

11 ASSOCIATE COMMISSIONER ABOULAFIA:
12 Yeah. I mean, we've been preparing for the
13 hearing for the last few days. We haven't had a ton
14 of time due to the holidays, but we've done our best
15 to review all the documentation, which is
16 significant, as you know.

17 CHAIRPERSON KALLOS: I think to do
18 would've been to bring people who can answer the
19 questions. Let's move on to work order number four.
20 It is DOITT-IBM-005-DINI, DINI, page 54. What kind
21 of work does DINI do? I reserve that right for a
22 song title. That is a Paul and Storm reference for
23 those of you who like Jonathan Coulton, a Brooklyn-
24 based artist. He's been the most famous for a song

2 called We Are the Opening Band. I can't tell if
3 anyone on here is cracking a smile.

4 ASSOCIATE COMMISSIONER ABOULAFIA: So,
5 we have to get back to you on that specific work
6 order. Obviously, there's technical context that we
7 would need to review.

8 CHAIRPERSON KALLOS: Is DINI an MWBE?

9 ASSOCIATE COMMISSIONER ABOULAFIA: I
10 don't believe so. No.

11 CHAIRPERSON KALLOS: That is correct.
12 They are in contract for hyper convergent engineers.
13 Do you know what a hyper converged engineer is? I
14 didn't know if they were either. I googled it. That
15 is my answer for-- every time I say the word Google,
16 my phone goes off, by the way. So, when it comes to
17 the hyper convergent engineer, when I googled it, it
18 basically just says that like they set up boxes that
19 show up preconfigured. DOITT has been advertised
20 position for hyper convergent years. You are paying
21 through DINI, \$244.27 for a hyper converged engineer
22 to the tune of \$219,000, but you're also advertising
23 this position for \$100 per hour. Is it possible
24 that we could save \$200,000 by bringing it in-house?

2 ASSISTANT COMMISSIONER LEVINE: Again,
3 Council member, we hear your concerns about utilizing
4 in-house folks. And so, as I, I am happy to follow-
5 up with my technical colleagues here and get you a
6 response in writing on all of this, but I don't think
7 Robert or myself can speak to the technical specifics
8 of the requirements for that role or the scope of
9 that work.

10 CHAIRPERSON KALLOS: Let's talk about
11 the COVID recovery app. When I first asked about
12 this \$200 million increase, we were told it was all
13 the COVID recovery app. The city has put out
14 multiple COVID apps. So, there is a COVID recovery
15 app in this and there is a COVID safe app. Can you
16 tell me the difference between the two?

17 ASSISTANT COMMISSIONER LEVINE: I can
18 tell you that the NYC COVID Safe app, as of
19 Thanksgiving, there were over 1 million people who
20 downloaded it. I'm pulling it up right now because
21 I, myself, use it. NYC COVID Safe is a way for
22 people to provide proof of vaccination without
23 having-- excuse me.

24 CHAIRPERSON KALLOS: Don't show everyone
25 your birthday. It's fine. How much--

2 ASSISTANT COMMISSIONER LEVINE: So, the
3 NYC COVID Safe app, to your question, is a way for
4 people to provide proof of vaccination. You can
5 upload a photo of your vax card and photo ID and also
6 test status and one of the advantages of this app is,
7 unlike the Excelsior Pass which requires people to
8 have been vaccinated within New York State, anyone
9 can take a photo of their vax card. So, I know that
10 a lot of tourists use it. I know it's something
11 that-- this is why we utilized in New York City. As
12 I said, as of Thanksgiving, over a million folks had
13 downloaded that app.

14 CHAIRPERSON KALLOS: How much did it
15 cost to build the COVID Safe app?

16 ASSISTANT COMMISSIONER LEVINE: I
17 believe it was a few hundred thousand dollars. I
18 mean, for context, I'm pretty sure the Excelsior Pass
19 cost in the millions. I think NYC COVID Safe was a
20 couple of hundred thousand dollars. I don't have the
21 precise figures, but we're adding to the list of
22 things to follow up with you on.

23 CHAIRPERSON KALLOS: On page 428 for
24 DOITT-IBM-048-recoveryapp-CR1, the number that we
25 have is \$647,754.54. does that sound accurate?

2 ASSISTANT COMMISSIONER LEVINE: I think
3 so, but, again, I will verify that with my team after
4 the hearing. But I think that's probably the
5 ballpark figure.

6 CHAIRPERSON KALLOS: And so, the
7 Excelsior Pass was announced on March 26th, 2021 when
8 it, in fact, went live. This work order went into
9 effect on March 29th, 2021-- three days after
10 Governor Cuomo had originally already launched a
11 working Excelsior app. Whose idea was it for the
12 city to build their own app?

13 ASSISTANT COMMISSIONER LEVINE: The NYC
14 COVID Safe is responsive simply to the needs of New
15 Yorkers. At that time, I believe that city employees
16 had to provide proof of vaccination or a negative
17 COVID test within, I believe, it was 72 hours. And
18 so, COVID Safe app was built specifically to be
19 responsive to the needs of New York City residents,
20 but also New York City workforce and I know that the
21 Excelsior Pass did not have some of the same
22 functionality that we needed to provide New York City
23 employees.

24 CHAIRPERSON KALLOS: Who ordered it?
25 Who asked for it? Was it the DOITT Commissioner?

2 Was it Mayor DeBlasio himself? Was it Choksi? Was
3 it Office of Labor Relations? Was it a Council
4 member raising their hands and saying, I want you to
5 build this now even though we have the Excelsior app?

6 ASSISTANT COMMISSIONER LEVINE: My
7 understanding is that this was a directive from City
8 Hall. Yes.

9 CHAIRPERSON KALLOS: City Hall as in
10 Mayor DeBlasio? City Hall as in a Deputy Mayor?

11 ASSISTANT COMMISSIONER LEVINE: My
12 understanding is that this something that came from
13 the highest leadership of City Hall.

14 CHAIRPERSON KALLOS: I guess, when you
15 look at the app, there are four screens. There's the
16 primary screen, there is a placeholder for storing an
17 image for your COVID card, there's a placeholder for
18 storing your ID, and I believe there is a placeholder
19 for storing any test results that you take a picture.
20 Essentially, you're talking about a photo favorites
21 app which is-- Before the COVID Safe app came out, I
22 just favorited a photo of my COVID card in my album
23 which did not cost \$600,000. Is there a reason why
24 it costs so much money to, essentially, favorite

2 three photos which is a feature found on iPhones and
3 Androids?

4 ASSISTANT COMMISSIONER LEVINE: Again,
5 you know, I don't want to get too into the weeds on
6 the technical components because, as you know, I'm
7 not a technical person, but I understand that the app
8 was produced for, you know, several hundred thousand
9 dollars. I know the Excelsior Pass was more in the
10 range of millions. And, again, as far as the
11 functionality of the app, as we talk about economic
12 recovery and bringing New York City back as vibrant
13 as ever, you know, I think we all can appreciate how
14 important tourism is and I know that, for tourists,
15 this app has really been helpful because, you know,
16 people who were vaccinated outside of New York State
17 are able to, you know, quickly just have a place to
18 upload their vax card, their photo ID, all of that at
19 a glance without having to either go through their
20 camera roll, carry a card around, you know, pull out
21 their photo ID-- all of that. So the simplicity is
22 what, I think, makes it so accessible to folks,
23 including folks who may not be as tech savvy as
24 yourself.

2 CHAIRPERSON KALLOS: Sure. Are there
3 any other emergency contracts like IBM out there?

4 ASSOCIATE COMMISSIONER ABOULAFIA: I'm
5 not sure I understand the question.

6 CHAIRPERSON KALLOS: Do you put out any
7 other emergency contracts?

8 ASSOCIATE COMMISSIONER ABOULAFIA: We
9 have a number of emergency contracts that were
10 required to respond to the COVID 19 pandemic. Yes.

11 CHAIRPERSON KALLOS: Can you tell me
12 about them?

13 ASSOCIATE COMMISSIONER ABOULAFIA: We
14 can send you a list to be responsive and add that to
15 the many lists of follow ups that we have.

16 CHAIRPERSON KALLOS: DOITT has been
17 testifying all day that you were prepared for a
18 hearing on emergency procurement in addition to IBM.
19 Is there anything else out there that's as big as the
20 IBM contract for \$200 million?

21 ASSOCIATE COMMISSIONER ABOULAFIA: So,
22 again, like I just said, we will have to go back and
23 provide you with a comprehensive list of all our
24 emergency contracts and, from there, you could gauge
25 whether there's a similar contract.

2 CHAIRPERSON KALLOS: Is there a public
3 place where I could find such a list of emergency
4 contracts?

5 ASSOCIATE COMMISSIONER ABOULAFIA: You
6 know, I--

7 CHAIRPERSON KALLOS: I will throw this
8 to MOCS.

9 DIRECTOR OLDS: Yep. So, all the
10 contracts that were registered by MOCS should be
11 visible in Checkbook, but we're happy to follow up
12 and provide you with an easy to use spreadsheet that
13 has a list of all the emergency contracts.

14 CHAIRPERSON KALLOS: I might know my way
15 around Checkbook NYC.

16 DIRECTOR OLDS: Well, just in case it's
17 difficult to navigate what emergency contracts were
18 COVID related or just general emergency contracts, we
19 have a list that we shared with the Comptroller's
20 office that has a list of every emergency contract
21 that we registered.

22 CHAIRPERSON KALLOS: Both a question for
23 DOITT and MOCS. Has the Comptroller's office looked
24 at any of the things that I've brought up and asked

2 any of these questions? Have you heard anything from
3 the Comptroller on this?

4 DIRECTOR OLDS: I'm not aware of any
5 specific conversations around this IBM contract, but
6 I can check at the staff level to see if there have
7 been questions that have been lobbed over the fence.

8 ASSOCIATE COMMISSIONER ABOULAFIA: And
9 I would just add to that that we have provided all
10 contract documentation to the Comptroller's office as
11 per their request. So they have all of that
12 information.

13 CHAIRPERSON KALLOS: So, on Checkbook
14 NYC-- actually, Victor, I will take you up on it
15 because while we were answering the question, I went
16 to Checkbook NYC and I did an advanced search. There
17 is now an option on the advanced search for an
18 emergency and it has a COVID 19 dropdown which is
19 kind of scary because we're foreseeing that there's
20 going to be more under catastrophic event. There
21 might be more. And when I did a search for it, it
22 came up with \$1.1 trillion dollars in spending. So
23 that's quite a lot.

24 DIRECTOR OLDS: Yeah. And just a
25 reminder, we don't manage the Checkbook website.

2 That's managed by the Comptroller's office. We have
3 our own--

4 CHAIRPERSON KALLOS: I got you. I got
5 you. So, a question is, Associate Commissioner
6 Robert Aboulafia, are you familiar with a contract
7 with MTXB2B Solutions LLC?

8 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

9 CHAIRPERSON KALLOS: How much was the
10 original contract?

11 ASSOCIATE COMMISSIONER ABOULAFIA: So,
12 we did not prepare to talk about that contract for
13 this hearing. The IBM contract was specifically
14 named as something that we would need to prepare for.
15 You know, if you have a specific question--

16 CHAIRPERSON KALLOS: I'm about to ask a
17 bunch of them. What's a little bit unfair is
18 everything I kept asking about the statements of work
19 is we will get back to you. We lack the expertise.
20 So on and so forth and we were talking about
21 emergency procurement generally but at the same time,
22 you're like, well, we're only prepared to talk about
23 the IBM contract. But I would just say that you
24 really haven't given me any answers on the IBM
25 contract other than how much it was. So, MTXB2B

2 Solutions, you have a contract. According to
3 Checkbook NYC, that contract is for \$45.9 million.
4 That was the initial contract amount. I would love
5 to share the screen, but, if you're following all at
6 home or if you are at DOITT if you type in MTXB2B
7 Solutions LLC, you can pull up their contract. The
8 contract number that you want is CT 185820201425681.
9 If you type that income it will give it to you. So,
10 the original contract was for \$45.9 million starting
11 on May 9, 2020. That is an emergency contract. Do
12 you know if that was a no-bid contract?

13 ASSOCIATE COMMISSIONER ABOULAFIA: So,
14 again, we did not prepare to discuss other emergency
15 contracts.

16 CHAIRPERSON KALLOS: Well, if it is an
17 emergency contract, it is no-bid, right?

18 ASSOCIATE COMMISSIONER ABOULAFIA: No.
19 We complied with all of the requirements under the
20 emergency Executive Order.

21 CHAIRPERSON KALLOS: The requirement to
22 have competing bids was waived as part of the
23 Executive Order, which you read to me about five
24 times, correct?

2 DIRECTOR OLDS: Just a point of
3 clarification, competition was not required in the
4 traditional sense, but agencies, to the extent that
5 it was practical, agencies were able to inquire of
6 other vendors to see who was best suited to provide
7 services. So, in some instances as needed or urgent,
8 agencies went to vendors they could provide services
9 and other instances-- and this is citywide-- and
10 agencies were able to conduct some form of
11 competition to see who was best suited for the
12 contract.

13 CHAIRPERSON KALLOS: Love the
14 straightforward and honest answer. Would love to
15 know from DOITT if you actually asked anybody else or
16 if you just gave it to MTXB2B Solutions?

17 ASSOCIATE COMMISSIONER ABOULAFIA: So,
18 again, we, you know, did not come to this hearing to
19 talk about that contract. You know, we prepared to
20 talk about the IBM emergency contract. So, if you
21 have specific questions, we can take them back.

22 CHAIRPERSON KALLOS: Oh, I do. Would
23 you believe me if I told you that, according to
24 Checkbook NYC, the new contract amount is \$191.7
25 million?

1 COMMITTEE ON CONTRACTS 162

2 ASSOCIATE COMMISSIONER ABOULAFIA: Yes.

3 I believe you.

4 CHAIRPERSON KALLOS: Okay. And that the
5 new date line for this contract is May 8, 2023. And
6 back to MOCS, if this is no longer an emergency
7 contract and the additional \$140 million was put out
8 as a regular RFP process bid, would it still be
9 marked as an emergency award?

10 DIRECTOR OLDS: If the agency resolicit
11 it and went through the normal procurement process.
12 Sorry. I just want to make sure I understand your
13 question.

14 CHAIRPERSON KALLOS: Just thought it is
15 safe to assume that, based on the fact that the
16 contract is still marked emergency, that the
17 additional \$140 million that was added-- \$150
18 million, give or take, that was added was added
19 through the emergency process and not through the
20 regular process?

21 DIRECTOR OLDS: Yeah. Without having
22 the contract in front of me, if it is marked as a
23 COVID emergency, I imagine that it went through the
24 COVID emergency process. Happy to confirm that, but
25 I--

2 CHAIRPERSON KALLOS: Yes, please. So,
3 we've got to emergency contracts. Think about to
4 \$380 billion-- just shy of \$400 million. We are no
5 longer talking about hundreds of thousands. We are
6 no longer talking about hundreds of millions. We are
7 now closer to billions than millions. The purpose of
8 the contract is the COVID 19 emergency purchase for
9 contact tracing SW Solution. Now, Test and Trace has
10 been operating for 18 months now. There were more
11 than \$2 million in payments just in November. You
12 know what we are paying for at this point? Shouldn't
13 the software for Testing Trace be like settled by
14 now?

15 ASSOCIATE COMMISSIONER ABOULAFIA: We
16 can take a look into your question and get back to
17 you on that.

18 CHAIRPERSON KALLOS: This contract only
19 has spending of 49.3 million as of today according to
20 Checkbook NYC. They have 191 million to spend over
21 the next two years, can we put this out to bid and
22 save \$150 million?

23 ASSOCIATE COMMISSIONER ABOULAFIA: Is
24 the assumption that the work is not required? I
25 don't understand. I mean, we're talking about

2 systems that are necessary to respond to COVID 19
3 which was a very time sensitive and urgent need.

4 CHAIRPERSON KALLOS: Do you believe that
5 during an emergency, during the pandemic, during that
6 time where you can't go through the regular bidding
7 process-- Do you believe that going through an RFP
8 process and competition can lead us to getting better
9 deals?

10 ASSOCIATE COMMISSIONER ABOULAFIA: I
11 think that in a normal situation, yes. An RFP
12 process is the best route in accordance with, you
13 know, just normal best practices. But the reality is
14 that this was far from a normal situation. This
15 was--

16 CHAIRPERSON KALLOS: I am stipulating
17 that there is \$50 million in build contracts that we
18 are probably not getting back. But moving forward,
19 there is \$280 million. That is the cost of 3K for
20 every child in New York City. That is the cost of
21 pre-k for every child in New York City. That is the
22 cost of building thousands of school seats. That is
23 the cost of, I think-- it is so much money. And so,
24 the question is, do you think that if we went out
25 within RFP, we might be able to pay less than 240 or

2 \$300 an hour for positions that year were currently
3 hiring at 100 an hour?

4 ASSISTANT COMMISSIONER LEVINE: Again,
5 Council member, to go back to what I said at the
6 beginning of the hearing several hours ago, the full
7 RFP process would take an entire year. In regards to
8 emergency contracts--

9 CHAIRPERSON KALLOS: These are two and
10 three year contracts. We could keep the emergency
11 contracts. We could pay out another \$50 million and
12 do an RFP and possible still save \$100 million moving
13 forward. We might be able to hire these people in
14 house without doing--

15 ASSOCIATE COMMISSIONER ABOULAFIA: So,
16 Council member, as mentioned previously, these
17 contracts are registered to establish contract
18 capacity. The specific work that is being performed
19 is being memorialized under approved work orders. So
20 the actual amount spent under the contract may end up
21 being significantly less. The idea is that we allow
22 for enough capacity to cover the unpredictable need
23 the city might face due to the pandemic.

24 CHAIRPERSON KALLOS: We're two years
25 into a pandemic. Do you feel that you can kind of

2 predict what's happening and how we're doing
3 vaccinations and the types of needs we need and--

4 ASSOCIATE COMMISSIONER ABOULAFIA:

5 Well, I mean, the state declared an emergency
6 yesterday, correct?

7 CHAIRPERSON KALLOS: Haven't we been
8 through that before?

9 ASSOCIATE COMMISSIONER ABOULAFIA: So,
10 you know, I can't say that I can predict what will
11 happen in the future. There is this new variant that
12 is a tremendous threat.

13 CHAIRPERSON KALLOS: Was there a
14 previous variant that was a threat? Do we have a
15 variant that's--

16 DIRECTOR OLDS: Well, just to interject,
17 I think what Mr. Aboulafia is trying to convey is
18 that none of us thought that we would be in the
19 position that we're in today at the start of the
20 pandemic and we're all trying to be responsible about
21 the actions that we take going forward in the future.
22 I think that that is the interest that you have as a
23 Council member. That's the interest that we have on
24 the city side. Certainly, here at MOCS and, I'm
25 sure, at DOITT and everyone is doing their best to

2 act responsibly to ensure that New York City
3 inhabitants are as safe as possible.

4 CHAIRPERSON KALLOS: Is it responsible
5 to pay people that we could pay \$50,000, \$300,000
6 through a contractor?

7 DIRECTOR OLDS: Well, I think that's--

8 CHAIRPERSON KALLOS: This isn't to you.
9 This is to DOITT. Like it's just--

10 ASSOCIATE COMMISSIONER ABOULAFIA: So,
11 you know, this is hypothetical question.

12 CHAIRPERSON KALLOS: No. It's like we
13 brought up multiple instances where we are paying
14 three to four times more-- even six times more-- to
15 pay somebody at IBM to do it instead of a city
16 employee who we can hire for like a fraction of the
17 cost.

18 ASSOCIATE COMMISSIONER ABOULAFIA: You
19 know, again, to go back to what I've said previously,
20 we need to really review the qualifications that
21 require for that work as compared to the
22 qualifications that are posted for that specific
23 title because there definitely is a difference to it.

24

25

2 CHAIRPERSON KALLOS: Do you know why the
3 MTXB2B Solutions LLC did not show up in the Local Law
4 18 report?

5 ASSOCIATE COMMISSIONER ABOULAFIA:

6 [inaudible 03:44:12]

7 DIRECTOR OLDS: I'd have to--

8 CHAIRPERSON KALLOS: Victor?

9 DIRECTOR OLDS: Yeah. I'd have to
10 review that. My team is extraordinarily careful
11 about what goes into these reports and so happy to--
12 I have full confidence that we excluded for a valid
13 reason.

14 CHAIRPERSON KALLOS: Do you think the
15 valid reason was that this was an expense contract,
16 not a capital contract?

17 DIRECTOR OLDS: Well, that's why. If
18 that's the case--

19 CHAIRPERSON KALLOS: I think DOITT used
20 capital money on IBM and when they put this out--
21 there is very little question in my mind that, if
22 they are paying for contact tracing software, that
23 that is COVID related. I know it would be hard to
24 shoehorn in things that aren't COVID related to
25 contracts. We will be asking for the same level of

2 documentation on this contract as the other, but if
3 you have other examples of contracts that have seen
4 this much growth, we would really like to see it.
5 Off question-- and I don't know if this is still a
6 DCAS problem or not. Do we have anyone on City Time
7 left who hasn't been brought in house? Are we still
8 paying consultants to maintain and manage City Time?
9 When I was Gov Ops Chair for the previous four years,
10 we made sure that we got rid of every single
11 contractor on City Time. Does DOITT do any work on
12 City Time? Did you eat that as well as 311?

13 ASSOCIATE COMMISSIONER ABOULAFIA: City
14 Time is managed by OPA. That's my understanding.

15 CHAIRPERSON KALLOS: Okay. Do you think
16 that City Time is a good model in terms of getting
17 rid of all the consultants to reduce \$600 million in
18 costs and bring costs in so that we're not paying
19 consultants five to 10 times more?

20 ASSISTANT COMMISSIONER LEVINE: Again,
21 Council member, respectfully, I think you made your
22 point to DOITT. We hear what you're saying. We hear
23 your concerns. We hear the questions that you're
24 raising and we're happy to get back to you on
25 specific questions about the procurements, about the

2 contracts, about the work orders and get you all of
3 that. Get you all of those written responses.

4 CHAIRPERSON KALLOS: Get us the written
5 responses. We've already requested a lot of
6 documents. We want those documents. We want the
7 answers. If we do not receive the documents, I have
8 issued subpoenas before. I will issue them for the
9 documents. If we do not get the answers in the
10 documents from the people who have the answers, we
11 will issue subpoenas for the people to reappear
12 before this committee. I'm going to excuse-- we may
13 also send additional questions as they arise. We're
14 going to excuse this administrative panel and I am
15 hoping that we do have DC37 still waiting to testify.
16 I don't know if we have anyone left to testify.

17 COMMITTEE COUNSEL: Unfortunately, it
18 appears we do not, Chair. Yeah. We do not.

19 CHAIRPERSON KALLOS: I want to thank
20 MOCS for being a part of this and for answering the
21 questions incredibly honestly. And thank you and we
22 will continue looking into this. I hereby adjourn
23 this hearing.

24

25

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 January 18, 2022