CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

        Of the

COMMITTEE ON FINANCE JOINTLY WITH
SUBCOMMITTEE ON CAPITAL BUDGET

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                February 12, 2019
                Start: 10:17 a.m.
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HELD AT: Committee Room – City Hall

B E F O R E: DANIEL DROMM
                  Chairperson

                  VANESSA L. GIBSON
                  Chairperson

COUNCIL MEMBERS: Adrienne E. Adams
                  Andrew Cohen
                  Robert E. Cornegy, Jr.
                  Laurie A. Cumbo
                  Vanessa L. Gibson
                  Barry S. Grodenchik
                  Rory I. Lancman
                  Steven Matteo
                  Francisco P. Moya
                  Keith Powers
                  Helen K. Rosenthal
                  James G. Van Bramer

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

Daniel Steinberg, Senior Advisor, Mayor's Office of
Operations, MOO

James Perazzo, Deputy Director of Strategic
Management, Mayor's Office of Operations, MOO

Jamie Torres-Springer, First Deputy Commissioner,
Office of Resilience, Department of Design and
Construction, DDC

Elizabeth Brown, Supervising Analyst, NYC
Independent Budget Office, IBO

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2   [gavel]

3   CHAIRPERSON DROMM: Okay. Good morning

4 I'm Council Member Daniel Dromm. I'm the Chair of

5 the Committee on Finance, and this hearing is jointly

6 being sponsored with the Subcommittee on Capital

7 Budget, which is chaired by Council Member Vanessa

8 Gibson. I'm joined by our colleagues Council Member

9 Andy Cohen, Council Member Adrienne Adams and Council

10 Member Brad Lander is here as well--[background

11 comments]—and Council Member Barry Grodenchik is

12 here. Happy Birthday, Barry. [background comments]

13 You don't look like Abraham Lincoln but, you know.

14 [coughing/laughter] Today we'll be hearing—today

15 we'll be hearing on two proposed pieces of

16 legislation related to capital projects. The first

17 legislation is Intro No. 32 in relation to electronic

18 notification of capital project delays and cost

19 changes. The second legislation is Intro No. 113 in

20 relation to the creation of a database to track

21 citywide capital projects. This is the first hearing

22 on both pieces of legislation. Intro No. 32

23 sponsored by Council Member Cohen would require that

24 each city agency provide each affected Council

25 Member, Borough President or community board with an

2   electronic notification within 30 days of any

3   projects or actual delay of 60 days or more, and any

4   projected or actual change of 10% or more of the

5   total estimated cost of the city capital project.

6   The notification would need to include a clear

7   explanation of the reasons for any projected or

8   actual change in cost or delay of the capital

9   project. The second piece of legislation—of

10 legislation Intro No. 113 sponsored by Council Member

11 Lander would require the city to establish and

12 maintain a public online searchable and interactive

13 database containing information on all pending

14 capital projects. The data in the database must be

15 searchable—searchable by a project name, borough,

16 managing agency and budget agency and would need to

17 include for each project the name of the project, the

18 borough where the project is located, the current

19 project phase and information about the project's

20 schedule and cost including estimate, actual and

21 variance information. In addition, Intro No. 113

22 would require that aggregated data on all pending

23 capital projects citywide be included on the website

24 and that the website include an interactive map

25 indicating the location of all capital projects.

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2 Investment in capital assets such as streets,

3 bridges, tunnels, sewers, parks, school buildings and

4 other important infrastructure is essential to New

5 York's economy and the quality of life of its

6 residents. Transparency in the capital process is

7 key to providing assurances to the public that city

8 resources are being put into good use in an efficient

9 and effective manner. Currently, there is no public

10 facing data base that tracks all citywide capital

11 projects. There's also no mechanism for city

12 agencies to provide notice to the impacted elected

13 officials and community representatives of cost

14 changes and delays of capital projects. New York

15 City residents want to know how well the government

16 is performing in meeting its commitments on capital

17 projects, and more often than not, they just want to

18 know when the renovation of their kid's school will

19 be finished, when construction will begin in their

20 local park or how much it costs to build the new

21 library in their neighborhood. By providing the

22 information required in these two pieces of

23 legislation, the city will be better user—utilizing

24 its existing resources to communicate meaningful

25 information to the public and create a comprehensive

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2   centralized database that tracks all pending capital

3   projects citywide. The database and interactive map

4   would allow residents to view pending projects

5   occurring in their neighborhoods. It will also allow

6   for increased construction related data analyses,

7   which may be helpful for revealing gaps in the

8   capital project process and innovating change in

9   current policies and practices on both an agency and

10   citywide level. Finally, the proposed legislation

11   would provide more frequent and targeted notice to

12   relevant stakeholders of issues with capital projects

13   of all city agencies. Overall, the two pieces of

14   legislation would provide a measure to improve

15   transparency, trust and accountability in capital

16   spending in New York City. At this time, I'd like to

17   turn it over to Chair Gibson who would like to also

18   make a statement.

19   CHAIRPERSON GIBSON: Thank you. Thank

20   you. Good morning. Thank you, Chair Danny Dromm our

21   Chair of the Finance Committee. Good morning to each

22   and every one of you. Thank you for being here.

23   Welcome to City Hall. I am Council Member Vanessa

24   Gibson. I proudly serve as the Chair of the

25   Subcommittee on the Capital Budget, and I'm excited

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2   to be joined here with our Chair Danny Dromm to be

3   discussing two important pieces of legislation that I

4   truly believe could significantly contribute to the

5   city's ability to effectively and appropriately

6   engage in capital planning, which has been the focus

7   of this subcommittee's work over the past 13 months.

8   The Charter requires a variety of capital budget and

9   planning documents to be produced, which includes the

10   Capital Budget, the Capital Commitment Plan, the Ten-

11   Year Capital Strategy, the Citywide Statement of

12   Needs and the Asset Inventory Management System also

13   called AIMS Report. What has resulted from these

14   Charter requirements is sometimes a challenge of

15   reporting measures and data tracking that often do

16   not related to one another or the city's real

17   spending in a meaningful way. The Subcommittee on

18   Capital has spent much of the last budget season

19   working to address many of the shortcomings and

20   challenges in the city's Capital Planning process

21   such as authorizations and plan commitments far above

22   realistic spending targets, front loading of the

23   Commitment Plan and a lack of discrete lines for

24   projects in the budget. While we've made significant

25   progress on improving the Capital Budget and the

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2   Commitment Plan to be more in line with reality,

3   there is much more work to be done. This is

4   especially true in a year when we also have a 10-year

5   Capital Strategy. This morning we are haring

6   legislation that would really move us beyond these

7   budget document to give the City Council and the

8   public a holistic and detailed look at all capital

9   projects that are in progress throughout the city.

10 We believe that citywide tracking of capital projects

11 is something the Mayor's Office and agencies should

12 already be doing. Moreover, as Chair Dromm said,

13 understanding what is actually happening during the

14 execution of capital projects would really improve

15 the city's ability to accurately forecast Capital

16 Budget needs as well as spending. There is sometimes

17 a tired anecdote about park projects taking upwards

18 of eight years to complete, and many of us have eight

19 years as a term, and park bathrooms are costing many

20 millions more than they should. While there are

21 specific examples to back up many of these claims, we

22 simply should not base the overall assessment of an

23 agency's capital project management on discrete

24 examples. Rather, what we should do is conduct a

25 data drive assessment of all capital projects go

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2 determine if there are particular types of projects

3 or particular points in the Capital Budget process

4 that are typically over budget or delayed. Then

5 resources to improve capital planning can be

6 appropriately targeted. Importantly, from a

7 budgeting perspective having a true understanding of

8 how long capital projects take, how much they cost

9 and why allows us to create a realistic Capital

10 Budget. So, I look forward this morning to hearing

11 testimony from the Mayor's Office of Operations on

12 both Intro 32 and Intro 113 and following up as

13 necessary during our Preliminary Budget hearings,

14 which will begin next month. I'm sure we're all

15 looking forward to that, and I want to thank again

16 Chair Danny Dromm and all of my colleagues who are

17 here. I want to wish Council Member Barry Grodenchik

18 a happy birthday as well again. Hope you enjoy your

19 day, and also want to thank the staff for really all

20 of their work in putting today's hearing together:

21 Our senior Counsel Rebecca Chasen; our Assistant

22 Counsel Stephanie Ruiz; and our Senior Financial

23 Analyst Kaitlyn O'Hagan, and with that I turn this

24 hearing back over to Chair Danny Dromm. Thank you.

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2   CHAIRPERSON DROMM: Okay, thank you,

3   Chair Gibson. We'll now hear from the prime sponsors

4   of the two bills who would like to share a few words

5   with us on the proposed legislation. Council Member

6   Cohen.

7   COUNCIL MEMBER COHEN: Thank you, Chair.

8   I'll be brief [coughs] but my frustration with the

9   capital process I think is—I've made a lengthy record

10 on that here. I see representatives from Parks and

11 DDC and I spend a significant amount of my time when

12 I'm dealing with capital projects on projects that

13 were funded by my predecessor never mind my—my own

14 projects, and I will tell you even though I do love

15 my job, one thing I'm not crazy about is going to

16 community board meetings and civic associations and

17 having people ask me about city projects and, you

18 know, are we ever going to see them start never mind

19 finished? And month after month, year after year,

20 over and over again I find myself on the front line

21 with this and it's not fun, and it's embarrassing

22 that the—the inability of the city to deliver on

23 capital projects it is an epidemic. It is—my

24 frustration is really beyond the—we don't have enough

25 time in this hearing for me to express my—my full

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2   frustration, but I think at the very least and what

3   Intro 32 tries to get at is that the city has an

4   affirmative duty to provide information in an active

5   manner. You know, it's one thing for people to be

6   able to go search, you know, online. I think you

7   have an affirmative duty when you're not going—when

8   you're not doing what you said you were going to do

9   initially, you have an affirmative duty to tell us

10   that you're not—we're not able to keep our word. We

11   said we were going to meet this timeline or this

12   budget. We're not going go bed able to do that, and

13   so we're coming back to tell you. I mean, you know,

14   I chase down agencies and get them to come to

15   community boards, but again, that shouldn't be-it's

16   not fun. I don't enjoy doing it and I think that the

17   city has an affirmative duty to do that, and I think

18   that's what Intro 32 gets at, and I hope that my

19   colleagues will ultimately support it. Thank you,

20   Chair.

21   CHAIRPERSON DROMM: Thank you, Council

22   Member Lander.

23   COUNCIL MEMBER LANDER: Thank you very

24   much, Chair Dromm and Chair Gibson. It's an honor to

25   have this bill heard together along with Council

2   Member Cohen's. As both our Chairs pointed out, New

3   York City's aging infrastructure is suffering from a

4   cycle of overdue and poorly planned investments.

5   Many of our water mains and bridges are over a

6   century old, and with every year we struggle to keep

7   pace with routine maintenance even as we fall further

8   and further behind the curve in making critical

9   forward looking investments from broadband to

10 renewable energy to storm protection. Meanwhile, we

11 all know it, we've heard it, our Capital Projects

12 Management System just remains in need of dramatic

13 reform. We're releasing a kind of issue update today

14 of the larger projects that are on the capital

15 projects dashboard, which I'll talk about in just a

16 minute. About half of the projects are either over-

17 budget or substantially delayed. It's 47% over-

18 budget and 53% delayed are the projects on the

19 Capital Projects Dashboard, and I'll talk in just a

20 second about the shortcomings of the Dashboard. Now,

21 I do want to give some credit or signs of or glimmers

22 of light. You know, last month under the leadership

23 of the new Commissioner Lorraine Grillo and I see

24 First Deputy Commissioner Jamie Springer here. The

25 New York City Department of Design and Construction

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2 issued a promising blueprint for streamlining

3 procurement, technology and project management that I

4 think offers some steps forward, but we need a lot

5 more aggressive action and we need a partnership from

6 City Hall and from OMB not only from DDC if we are

7 really going to have a serious coordinated system

8 with reform that can deliver the kinds of

9 improvements that we need, and I do think the—the

10 tracker, you know, that's only one of many things is

11 needed is a pretty good place to start. You know

12 there's an old adage what you don't measure, you

13 can't manage and we are not even measuring our

14 capital projects The Capital Projects Dashboard

15 covers projects of $25 million, but that is fewer

16 that 2% of the city's capital projects. So more than

17 98% of them there is not information available

18 online, and that really cuts a few different ways.

19 First, for the New Yorker who voted for a project

20 participatory budgeting or worked so hard to make

21 sure that their school was repaired or their park was

22 improved, they can't have any way that they can find

23 what the status of that project is leading to the

24 kinds of frustrations that Council Member Cohen

25 talked about, but it also means it's impossible for

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2 City Hall to take a comprehensive look at our Capital

3 Projects Management System and say in any coherent

4 way which agencies are doing well, which agencies are

5 doing poorly, which contractors are not meeting their

6 obligations, what kinds of strategies for improvement

7 are working and what strategies are failing, and we

8 can't do that until we have a unified system that

9 both provides transparency to the public, but also is

10 a tool for management. Now, one other thing I have

11 to point out about the Capital Projects Dashboard

12 today even with only covering fewer than 2% of the

13 projects even the updates are long delayed. The

14 Capital Projects Dashboard has not been updated. If

15 you go look at it today, since August of 2018. The

16 Open Data Portal says it's supposed to be updated

17 quarterly, which means today's updates are 67% behind

18 schedule. So, we have some serious work to do if we

19 want to achieve the kinds of reforms that are needed

20 and that were outlined in the DDC Report, but we've

21 got shared work to do to push them a lot harder. One

22 other note I just want to make is in addition to

23 today's hearing, the Council last week released our

24 recommendations the Charter Revision Commission, and

25 I know staff and the Chairs and others developed some

1

2 good recommendations there that speak to additional

3 ways that require Charter changes and, therefore,

4 referendum that includes updating and improving the

5 AIMS Report that Chair Gibson spoke to. The School

6 Construction Authority actually does a really good

7 annual assessment of every item in its infrastructure

8 but the rest of the city does not have a really

9 serious process for reviewing the conditions of

10 assets today in a way that would genuinely help us

11 know what state of good repair looked like. The DDC

12 Report speaks a little to that, but we need Charter

13 changes to make that a really meaningful report. We

14 need the kinds of changes to the budget process that

15 both chairs have long spoken for so that you can find

16 individual capital projects in the budget instead of

17 in giant bundles that make it impossible to really

18 know what's going on. And we need the documents that

19 Chair Gibson spoke to really speak to one another in

20 a deeper way so that instead of just being a series

21 of disconnected reports they add up to a real plan

22 for infrastructure investment. So, this is a good

23 hearing to have and I really want to thank the chairs

24 and the staff for their work. You know, I think we

25 all know this is a longstanding problem. The analysis

1

2 my office is putting out today makes clear it's

3 ongoing, but I'm going to take the optimistic side.

4 We're having this hearing. We've got some new

5 leadership at DDC. This is a moment when I believe

6 we can really drive real change and improvement, and

7 the future of our city. It's just no exaggeration to

8 say the future of our city depends on it. Thank you.

9   CHAIRPERSON DROMM: Thank you, Council

10 Member Lander. I'll now—we will now begin the

11 testimony from Daniel Steinberg, Senior Policy

12 Advisor at the Mayor's Office of Operations and James

13 Barasso, and I'm going to ask counsel to swear you

14 in.

15   LEGAL COUNSEL: Do you affirm that your

16 testimony will be truthful to the best of you

17 knowledge, information and belief?

18   DANIEL STEINBERG: Yes.

19   LEGAL COUNSEL: Thank you.

20   DANIEL STEINBERG: Good morning, Chair

21 Dromm, Chair Gibson and members of the Finance

22 Committee and the Subcommittee on Capital Budget. My

23 name is Daniel Steinberg and I'm a Senior Advisor at

24 the Mayor's Office of Operations. At Operations

25 we're dedicated to making New York City government as

2 effective and efficient as possible through rigorous

3 project and performance management, data analysis and

4 research. In the vein, Operations created and now

5 manages the New York City Capital Projects Dashboard.

6 Thank you for the opportunity to present some of our

7 work in this area and discuss the relevant

8 legislation currently under consideration. The city

9 of New York's Capital Budget apportions the city's

10 funds to pay for everything from the maintenance of

11 our bridges to the construction of our schools and

12 making sure our offices are equipped with computers

13 and furniture. My office alongside our partners at

14 the City Council wanted to provide policy makers in

15 the public with a better view into and transparency

16 around the city's Construction and Information

17 Technology Projects. Working with the Financial

18 Information Services Agency, OMB, the Department of

19 Information Technology and Telecommunications and the

20 experts at capital agencies, we launched our Capital

21 Projects Dashboard in 2014. Today the Capital

22 Projects Dashboard provides insight into all capital

23 construction information technology projects with

24 budges over $25 million. Using standardized metrics

25 for all agencies and projects including timelines and

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2 budgets, the Dashboard serves as a centralized

3 repository for oversight of and comparisons between

4 capital projects. Since launching in 2014, our

5 office has made changes to the Dashboard in the

6 interest of providing even greater transparency and

7 accessibility to the public including reorganizing

8 the web portal around project categories that are

9 meaningful to residents such as parks, streets and

10 schools, expanding project level details to include

11 schedule and budge change history by reporting

12 periods, and adding this data to the city's Open Data

13 Port—Portal where data can be exported and analyzed

14 as you did so well. I will now take some time to

15 speak about the proposed legislation being considered

16 today: Intros 113 and 32. Intro 113 aims to provide

17 greater insight for policymakers and the public

18 through a centralized database of capital project

19 information, which was our goal in building and

20 updating the Capital Projects Dashboard. Operations

21 agrees with the spirit of Intro 113 and with many of

22 its components. However, we're concerned as the bill

23 as written would require reporting on every capital

24 projects regardless of its size or type. There are

25 more than 10,000 individual projects classified as

1

2   capital, which include everything from city water to

3   Tunnel three to paper shredders for—for libraries.

4   The Dashboard currently tracks nearly 300 projects by

5   applying a cost threshold of $25 million because the

6   data process—the data collection process is manual

7   and labor intensive reporting out on over 10,000

8   projects would be impractical in its limited value.

9   We're also concerned with the proposed monthly

10   reporting frequency. Most capita projects have

11   multi-year timelines that do not change month-to-

12   month. The Capital Projects Dashboard is currently

13   updated three times annually and not quarterly in

14   sync and apologies if that was wrong on Open Data.

15   In sync with the tri-annual release of the city's

16   Capital Commitment Plans. This ensures the high

17   quality and reliability of data and we, therefore,

18   recommend maintaining this reporting frequency.

19   However, as noted, we do agree with the spirit and

20   most of the substance of the bill. We're happy to

21   have further conversations with the Council and

22   believe we can reach a solution that would satisfy

23   our mutual goal. Intro 32 aims to provide more

24   frequent updates up the public and policymakers when

25   capital projects are delayed or see cost increases.

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2 As with Intro 113, Operations agrees with the spirit

3 of this bill. We're concerned, however that the

4 reporting mechanism laid out in Intro 32 would be

5 incredibly burdensome to implement while providing

6 little new information. While I cannot speak to any

7 individual agency's exact process, the capital

8 agencies maintain their own protocols for notifying

9 affected elected officials and impacted community

10 stakeholders when projects in their neighborhoods are

11 delayed, which in many cases go beyond the standards

12 proposed in this bill. As each agency delivers

13 projects of varying size and nature, it would be very

14 difficult and costly to set a standardized mechanism

15 and timeframe from this type of notification across

16 thousands of projects. As I stated, my office agrees

17 with the spirt of this bill, and its important aim of

18 increasing transparency. We would welcome an

19 opportunity to discuss improved approaches to ensure

20 that you and the communities you serve receive the

21 information you need and deserve. Thank you again

22 for the opportunity to testify today. We look

23 forward to continuing the conversation and answering

24 any questions you may have.

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2   CHAIRPERSON DROMM: Thank you very much,

3 and let me just start by announcing we've been joined

4 by Council Member Steve Matteo, Council Member

5 Francisco Moya, and Council Member Rory Lancman as

6 well. I think I got everybody there. [bell] Okay.

7 Let me just start off by asking a few questions.

8 Which—which office within the Mayor's Office is

9 responsible for overseeing the delivery of capital

10 projects across all agencies?

11   DANIEL STEINBERG: That would be us, the

12 Mayor's Office of Operations.

13   CHAIRPERSON DROMM: Okay and which Deputy

14 Mayor has oversight over the Mayor's Office of

15 Operations?

16   DANIEL STEINBERG: The First Deputy

17 Mayor, Dean Fuleihan.

18   CHAIRPERSON DROMM: Okay. What role does

19 Operations play in the Capital Tracking Process, and

20 what role does OMB play?

21   DANIEL STEINBERG: Operations collects

22 the data from the agencies, and obviously we—we post

23 it on our website, but we also report the data

24 directly to deputy mayors and—and commissioners when

25 the data is updated.

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2   CHAIRPERSON DROMM: How many staff are

3   currently in the Office of Operations and how many

4   work on the Capital Projects Dashboard?

5   DANIEL STEINBERG: I don't know the total

6   staff when it includes 311 and-and the other

7   divisions within Ops, but right now there's about—

8   know of the dedicated full-time to the Capital

9   Projects Dashboard, but there's about four people who

10   do work on it.

11   CHAIRPERSON DROMM: So, four people work

12   on it throughout the year?

13   DANIEL STEINBERG: Right.

14   CHAIRPERSON DROMM: Does the Mayor's

15   Office have regular check-ins with agencies about the

16   progress of their capital programs beyond checking in

17   on the status of individual projects?

18   DANIEL STEINBERG: We do. We—we

19   circulate the data to commissioners every time it's

20   updated, and we often have meetings both on—on-on

21   specific projects for the purpose of trouble

22   shooting, but we are always looking for opportunities

23   for systemic reform also, and—and that's sort of

24   been—informed some of the larger strategic planning

25   efforts that—that we've discussed today.

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2   CHAIRPERSON DROMM: How often do those

3   meeting occur?

4   DANIEL STEINBERG: I guess I would say—I

5   would say as needed, but clearly they're needed

6   frequently and they do happen frequently. In the

7   past we've had specific meetings about programs that—

8   that—that the data suggested needed—needed attention

9   but—and--but also on—on specific projects.

10   CHAIRPERSON DROMM: So, are those

11 agencies required to submit periodic reports about

12 the status of capital projects?

13   DANIEL STEINBERG: Yes.

14   CHAIRPERSON DROMM: Intro No. 1 13

15 proposed to collect information on capital projects

16 in three phases, which include the design phase, the

17 construction procurement phase, and the construction

18 phase. Is this consistent with how the Mayor's

19 office or agencies track capital projects?

20   DANIEL STEINBERG: It is although you—

21 you—there are standard phases that—that are useful

22 for—for the purpose of data integration and

23 standardization, but—but it is also true that

24 agencies often have their own idiosyncratic—

25 idiosyncrasies when it comes to the way that certain

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2   terminology is defined, and so-so that is sort of at

3   the heart o why a centralized repository is a

4   challenging endeavor, but one that we all—being

5   worthwhile also.

6   CHAIRPERSON DROMM: So do you collect

7   data like—such as Scope, Design Procurement or

8   furniture equipment purchase or construction

9   management and things like that?

10   DANIEL STEINBERG: We collect mostly

11   schedule and budget data, but also data pertaining to

12   the contractors. I'm not sure. Jim do you want--?

13   JAMES PERAZZO It doesn't. The data we

14   collect doesn't go down to that level of detail. We

15   collect time and budget on the phases they mentioned.

16   CHAIRPERSON DROMM: So, there's no way to

17   track things like furniture purchases, equipment?

18   Things like that.

19   DANIEL STEINBERG: Not through our

20   Dashboard.

21   CHAIRPERSON DROMM: And the agencies, do

22   they have that data?

23   DANIEL STEINBERG: They do but stored in

24   different systems.

25

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2   CHAIRPERSON DROMM: Is there ever a

3 review of those systems?

4   DANIEL STEINBERG: I can't speak to that

5 not from the standpoint of the Capital Projects

6 Dashboard.

7   CHAIRPERSON DROMM: So, nobody—so you

8 don't know whether or not those agencies are looking

9 at those systems to determine whether things like

10 equipment has been delivered or—or any of those

11 items?

12   DANIEL STEINBERG: I think only the

13 agencies can—can speak to their own protocols when it

14 comes equipment kind of purchases.

15   CHAIRPERSON DROMM: Basically you're

16 saying there's no overall system to track that?

17   DANIEL STEINBERG: Equipment purchases?

18   CHAIRPERSON DROMM: Well, I mean any of

19 the items of that--

20   DANIEL STEINBERG: [interposing] I'm—I'm

21 not quite saying that. I'm saying that our Capital

22 Projects Dashboard doesn't track the equipment

23 purchase. So, I can't speak to that.

24   CHAIRPERSON DROMM: [interposing] But

25 it's the same thing. Basically, you're saying

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2 there's no overall system because it's—it's done by

3 agency. Are you saying it's done by agency, but

4 there's no overall system to track any of this.

5   DANIEL STEINBERG: For equipment

6 purchases that need to be--

7   CHAIRPERSON DROMM: [interposing] Well,

8 what about for Construction Management, or Design

9 Procurement, those items within those agencies.

10   DANIEL STEINBERG: Most agencies doe have

11 project management systems that track those.

12   CHAIRPERSON DROMM: But not as overall?

13   DANIEL STEINBERG: That's correct

14   CHAIRPERSON DROMM: My understanding is

15 that you only track things that are $25 million and

16 above.

17   DANIEL STEINBERG: That's right.

18   CHAIRPERSON DROMM: But anything under

19 $25 million is not tracked?

20   DANIEL STEINBERG: That's not in our

21 system, right.

22   CHAIRPERSON DROMM: So, you know, that

23 excludes a lot of things that—particularly things I

24 think that constituents are concerned about. Those

25 larger than $25 million projects are bigger things

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2 and—and obviously they're easier for it to track, but

3 often times it's the smaller ones that we get

4 questions about. So, what does the Capital Projects

5 Dashboard only report on report projects like—so that

6 are already about $25 million. Is there anything

7 that would prevent you from reporting on a larger

8 category of projects?

9   DANIEL STEINBERG: Well, we started with

10 that threshold as a way to—to capture the—the largest

11 most complex projects that often relate to our

12 critical infrastructure such as water supply and

13 because the universe of capital projects is so large

14 and there's no technological solution that can

15 immediately integrate all this data in one place,

16 it's a very labor intensive and manual data

17 collection process. So, the decision is made when

18 Dashboard was created to—to go with the threshold of

19 $25 million or above.

20   CHAIRPERSON DROMM: So, I'm—I'm glad to

21 hear you say we started with the $25 million and

22 above, which indicates a willingness to perhaps to go

23 to the ones that are below $25 million as well?

24   DANIEL STEINBERG: Yes, we—we fully share

25 your desired to—to-to expand what's covered. It's

1

2 really a matter of-of measuring and kind of balancing

3 what's feasible and what's most valuable to you and

4 your constituents.

5   CHAIRPERSON DROMM: And when Council

6 Member Lander mentioned that the Dashboard has not

7 been updated since August of '18, nearly six months

8 ago. How often is this information updated and when

9 can we expect the next update?

10   DANIEL STEINBERG: It's updated three

11 times a year and the next update should eminent with

12 the passage of the budget recently or--

13   CHAIRPERSON DROMM: [interposing] I

14 though you said it was 67 days behind.

15   COUNCIL MEMBER LANDER: [off mic] I think

16 I said it was 67% and to my understanding it's tri-

17 annual only 50%.

18   DANIEL STEINBERG: Yes, that bought us

19 some time.

20   CHAIRPERSON DROMM: And that's two months

21 ago.

22   CHAIRPERSON DROMM: Okay

23   COUNCIL MEMBER LANDER: [off mic] You

24 know, it's—it was updated in August 7th. So, it

25 should have been updated December 10th.

1

2   CHAIRPERSON DROMM: So, when can expect

3 that to be updated?

4   JAMES PERAZZO: Well, as Dan said, it's

5 a manual process. So, with—and—and following the

6 budget cycle it—it will be completed as soon as

7 possible once.

8   CHAIRPERSON DROMM: How many capital

9 projects are currently being tracked in the

10 Dashboard?

11   DANIEL STEINBERG: Just under 300.

12   CHAIRPERSON DROMM: And what—what

13 percentage of all capital projects are—are captured?

14   DANIEL STEINBERG: Well, and Council

15 Member Lander mentioned, the--

16   CHAIRPERSON DROMM: [interposing]

17 Alright.

18   DANIEL STEINBERG: --certainly a small

19 percentage, but that's, you know, taking into account

20 that many capital projects are—are equipment

21 purchases and—and that sort of thing, but--

22   CHAIRPERSON DROMM: Okay, do you know the

23 Mayor's Office responds to public inquiries about

24 capital projects when asked by constituents? Do you

25

1

2 refer them to like any agency, the managing agency

3 or--?

4   DANIEL STEINBERG: I'm not quite sure how

5 to answer that question on behalf of the entire

6 Mayor's Office. Operations doesn't have a lot of

7 direct correspondence with the public, but we try to

8 be responsive to---you know, most of those questions

9 are channeled through deputy mayors and their staff,

10 and—and we're very fast and responsive whenever they

11 come through.

12   CHAIRPERSON DROMM: Okay. So, to me it

13 seems like we have a lot of work to do here, and I'm

14 going to turn it over to Council Member Gibson.

15   CHAIRPERSON GIBSON: Thank you, Chair.

16 Good morning again. Just keeping in line with the—

17 the questions that the Chair asked, and based on your

18 testimony. So, I'm first very concerned. This is

19 2019, and the Mayor's Office of Operations is talking

20 about a manual data collection system. You have four

21 staff that are not dedicated to even managing the

22 tracking systems. So that from the onset is

23 concerning to me. If there is a real recognition

24 that tracking capital projects is really a priority

25 in this city number one, we need dedicated staff.

1

2 That's just—that goes without question. I am

3 concerned as Council Member Lander talked about that

4 this system you have the Capital Projects Dashboard

5 only tracks projects at $25 million or above, most of

6 the capital projects I've allocated in my five years

7 here have all been less than $25 million. So none of

8 my capital projects in five years would even be

9 tracked on this Dashboard. So, I mean there are lots

10 of things that we are generally concerned about, but

11 what I want to understand is that is the Mayor's

12 Office of Operations understanding that number one

13 the tracking system at $25 million we need to change

14 that and make some changes to the amount. Is that a

15 consideration that you guys would take up?

16   DANIEL STEINBERG: It certainly is a

17 discussion we're going to have. I—I should have

18 mentioned, of course, that Parks Department does have

19 a fairly robust Dashboard of its own--

20   CHAIRPERSON GIBSON: Yes.

21   DANIEL STEINBERG: --and—and—and I--I

22 should also defer to my colleague to sort of describe

23 some of the—the technical difficulties behind

24 integrating data from Legacy systems at agencies.

25   CHAIRPERSON GIBSON: Okay, well can I--

1

2   DANIEL STEINBERG: [interposing] We—we

3 went to get out of the—we want to get out of the

4 manual data collection game as much as anybody.

5   CHAIRPERSON GIBSON: Okay. What's the

6 name of the system you talked about?

7   DANIEL STEINBERG: Oh, I didn't—no I

8 didn't--

9   CHAIRPERSON GIBSON: [interposing] Okay

10   DANIEL STEINBERG: --give it a name. I'm

11 sorry but he said—

12   JAMES PERAZZO: Legacy Systems.

13   DANIEL STEINBERG: Oh, yeah, Legacy

14 Systems that have, you know, agencies have had for-

15 for a while that are very costly to—to

16   CHAIRPERSON GIBSON: [interposing] I

17 understand.

18   DANIEL STEINBERG: --to replace. Yeah.

19   CHAIRPERSON GIBSON: Okay. Okay, so, as

20 of right now, the current tracking mechanisms that we

21 have besides the Capital Projects Dashboard, Parks

22 Department has a Capital Projects Dashboard, New City

23 Facilities Explorer; SCA has a quarterly report; the

24 NYPD has a quarterly report on capital projects that

25 are Council funded. We have a Sandy funding tracker

and we also have a Neighborhoods Zoning Commitment

Tracker. So, the concern and what we're trying to do

with the legislation put forth is not only have a

conversation about some of the inconsistencies we

have, but really develop some sort of a centralized

system where at least agencies are talking to each

other. So, I guess the first question I have to ask

is does the Administration believe that the Mayor's

Office of Operations is the best agency to oversee

the Capital Tracking System that the legislation is

calling for?

JAMES PERAZZO: Well, we can't speak for

the entire Mayor's Office, but I thin the Mayor's

Office of Operations thinks that.

CHAIRPERSON GIBSON: Okay. So, if you

think that, what steps would you propose to take to

provide a more streamlined process that isn't so

manual data driven? Can we jump into 2019? [pause]

JAMES PERAZZO: Well, as—as Dan

mentioned, the—the challenge is less with the ability

of us to build a repository to receive the data, but

the fact that each agency uses separate project

management systems to manage their projects so the

source of the data is disparate, and we would need to

1

2 integrate to many different systems, which would be a

3 very large technical undertaking.

4   DANIEL STEINBERG: At the first step I

5 should just say that-that when systems are replaced

6 with emphasis on making sure that they meet the

7 requirements of what it would take to have an

8 integrated system, and you might notice in BDCs

9 Strategic Plan there was a—as discrete initiative

10 around their—their information technology strategy

11 that—that we're very much aligned with and—and hope

12 to be a partial solution.

13   CHAIRPERSON GIBSON: Okay. So, how was

14 the information that the Mayor's Office of Operations

15 gets today how was it captured? Is it fed from some

16 sort of a centralized system to your unit? It's not?

17   JAMES PERAZZO: We have a—a web form

18 that agencies populate.

19   CHAIRPERSON GIBSON: A web forum?

20   JAMES PERAZZO: And we have a database.

21 Yeah, and it collects the information and feeds it to

22 NYC—

23   CHAIRPERSON GIBSON: [interposing] I

24 know. We're cringing up here. [laughter]

25

1

2   DANIEL STEINBERG: You should see it from

3   our perspective, but--

4   CHAIRPERSON GIBSON: Alright. Wow. The

5   Central database for capturing information about

6   capital projects across agencies, is it FMS?

7   JAMES PERAZZO: I'm sorry, the central?

8   Could you repeat the question?

9   CHAIRPERSON GIBSON: The central system

10   for capturing information about capital projects

11   across other agencies, do they use the FMS system?

12   JAMES PERAZZO: FMS captures the budget

13   information.

14   DANIEL STEINBERG: It's just as you laid

15   out in the opening that FMS is a—is a system for

16   managing the budget in a way that doesn't always

17   speak to the project level in the way that most

18   people think about projects.

19   CHAIRPERSON GIBSON: Okay,

20   DANIEL STEINBERG: One—one project can

21   have several budget lines. One budget line can be—

22   get in several projects.

23   CHAIRPERSON GIBSON: Okay. So, tell me

24   about the four staff that we have that's part-time

25   work on the tracking system.

1

2   JAMES PERAZZO: Well--

3   CHAIRPERSON GIBSON: [interposing] What

4 about other responsibilities as well?

5   JAMES PERAZZO: Okay. Well there's the—

6 the two of us and--

7   CHAIRPERSON GIBSON: [interposing] You

8 two are a part of the four?

9   JAMES PERAZZO: Well, I'm not sure

10 exactly who—which four Dan was—was counting, but the

11 system—the system does not require very much upkeep

12 because it—it was built in—it's robust. We—we have

13 one—one technical person who maintains the database

14 and we have a—a designer who oversaw the update that

15 Dan mentioned in his testimony of the display of the

16 information.

17   DANIEL STEINBERG: Right. That—that was

18 the Division of Labor I was trying to get at that

19 James Perazzo is the architect and business owner of—

20 of the system and he has one person who's incredibly

21 sophisticated with technical expertise who-who

22 manages the content. We have one person who's sort

23 of an expert on visualization, and—and helped make

24 the Dashboard more appealing, and—and usable, and—and

25 myself and—and people on—on my team often analyze the

1

2 data, and—and so that's sort of the division of labor

3 in terms of how we all work with it.

4   CHAIRPERSON GIBSON: Okay. So, is the

5 same office within the Mayor's Office of Operations

6 whose responsibility it is to make sure that the

7 Capital Projects dashboard is accurate? So, is there

8 an overseer that ensures that the Dashboard and the

9 information collected is accurate? Is there another

10 layer of—of oversight within the office.

11   JAMES PERAZZO: There isn't another layer

12 of oversight of the data. We work with agencies to

13 ensure it's accurate and we—we have some rules in

14 the—in the collection forum to help with that and we,

15 as Dan mentioned the—when staff does analysis and—and

16 speaks to agencies they do spot checks to see if the

17 data is accurate.

18   CHAIRPERSON GIBSON: Are you able to

19 share with us some of the rules and guidelines that

20 you talked about in terms of data collection?

21   DANIEL STEINBERG: Yeah, we—I believe we

22 them all public and we're happy to share them. We're

23 proud of them because they're—they're—it, you know,

24 as—as you mentioned they're unforgiving and—and fully

25 transparent and—and that's the reason why Council

1

2 Member Lander was able to depend on them for his

3 report and why we're very proud and—and happy to see

4 people using the data. So, we're—we're fully

5 transparent not just about the data, but about the—

6 the rules that—that govern it.

7   CHAIRPERSON GIBSON: Okay. So what is it

8 that you can offer us here in the Council to greater

9 understand what the Administration is willing to do

10 to capture the thousands of other capital projects

11 that do not meet the $25 million threshold that we

12 need to have an understanding of the timeline, the

13 cost and delays, but also the general public. I

14 share the frustration of Council Member Cohen. We

15 are always yelled at and criticized because it's

16 really the onus is put on us to reach out to the

17 relevant agency to find out where the project is and

18 what's happening because the updates that we get are

19 just simply, you know, just not consistent. So, what

20 we're trying to do with the legislation is develop

21 some sort of a centralized system where there is more

22 consistency across the board. Outside of the current

23 tracking systems that we described, there's no way

24 else and there's no other mechanism that exists for

25 us to track capital projects. So, what can the

1

2   Mayor's Office of Operations do with the current

3   tracker you have to make the system better, but also

4   what are you willing to do beyond that in terms of

5   greater oversight with all of the other agencies that

6   have a capital budget?

7   DANIEL STEINBERG: We certainly want to

8   work with you to better understand what—what data

9   would be most valuable to capture. 10,000 projects

10   under the current kind of technology environment

11   would be difficult, but—but I think there is a way

12   for us to figure out how to expand in a way that—that

13   is really valuable for you, and we're very open to

14   also discussion around the mapping component, which—

15   which is a part of Council Member Lander's proposed

16   legislation and something that the value we—we share

17   greatly that people should be able to know where the

18   projects are in relation to where they live and work.

19   So, those-those are two things that we're eager to—to

20   continue discussing with you until we find the sweet

21   spot that—that—where the Dashboard is both, you know,

22   it's feasible and—and meaningful.

23   CHAIRPERSON GIBSON: Okay. So, outside

24   of the Dashboard does the Mayor's Office of

25   Operations have an ongoing interagency coordination

1

2 with OMB or with DDC about other capital projects

3 that are not necessarily tracked under the existing

4 Dashboard? And if so, how does that work?

5   DANIEL STEINBERG: We've worked very

6 closely with DDC on—on many of the systemic kind of

7 reforms that—that are captured in—in the Strategic

8 Plan, and much of which was informed by analysis over

9 the past year, and-and in terms of specific projects,

10 I didn't bring a list, but over the years there have

11 been, you know, many specific projects that—that

12 we've collaborated on to try to troubleshoot kind of

13 acute problems. It could be anything from utility

14 coordination to an interagency kind of dispute, but—

15 but that's sort of our role in government is—is to

16 address those pinpoints.

17   CHAIRPERSON GIBSON: Okay. Before I turn

18 it back over to our—our Chair and certainly the co-

19 sponsors I know have questions, I guess the concern I

20 have is that there just isn't consistency. It's

21 troubling that we don't have sufficient staff at the

22 Mayor's Office of Operations. I question the ability

23 of the Mayor's Office of Operations to really oversee

24 this entire capital tracker system. I'm concerned

25 that, you know, every agency seems to be doing their

1

2 own thing and, you know, with respect to just having

3 more of a centralized system, to me it really makes

4 sense that if it's not the Mayor's Office of

5 Operations, DDC manages a number of projects and has

6 a number of client agencies, but also the role that

7 OMB plays in approving all of these capital projects.

8 So, I think we have to tighten up the interagency

9 coordination but for my general understanding, and to

10 actually make this system, having a system that's

11 interactive that's user-friendly, it's troubling that

12 in 2019 we still have manual systems and not a

13 significant amount of staff that should be dedicated

14 to operating these tracker systems. The $25 million

15 threshold is a problem for me because most projects

16 are well below 25% and this certainly does not

17 capture a large percentage of all the capital

18 projects we have, and then generally if we are to be

19 committed to ongoing just commitment rate, and really

20 making sure the system is operating more efficient,

21 the 10-year Capital Plan just came out. We really

22 have to do better. And so, it's my hope that the

23 Administration will take a real look at this

24 legislation that we have introduced and really have a

25 real conversation about how we can work better, how

1

2 these projects can be managed overall better. But to

3 me generally there has to be a better system. I

4 understand that there are thousands and thousands of

5 capital project, but I would argue that our

6 constituents care just as much about the comfort

7 station as they do about the mobile unit, and some of

8 the smaller capital projects that we are funding.

9 And there's an expectation. As Council Member Lander

10 mentioned, most of us are in participatory budgeting,

11 and those projects are very important. We galvanize

12 and organize in our communities, and have residents

13 come out and vote on these projects, and then when

14 the budget is passed, there's an expectation that

15 those projects will come online, and what we all deem

16 as reasonable. How we define reasonable varies, but

17 I—I really hope that you guys will take a real look

18 at this because what I've heard so far is not

19 satisfactory, and I really think we a lot more work

20 to do. If it's a centralized system and we can tie

21 all of the agency's capital into one system. Because

22 generally speaking the legislation is asking for, you

23 know, timeline, scope of work, design procurement. I

24 mean those are basic things that are, you know,

25 common from agency to agency. So it's not as if one

1

2 agency has a very unique project that wouldn't meet

3 that threshold, but centralizing and having one

4 system where everyone can speak to each other to me

5 says that we are really committed to making sure that

6 the public understands that we are about efficiency,

7 and we're about spending their dollars wisely, and

8 getting a lot of these projects online in a timely

9 fashion. So, I look forward to working with you. I

10 will circle back with more questions, but I want to

11 thank you for your presence here, and at least

12 letting us know what's been going on and—and how we

13 can really address a lot of the inconsistencies that

14 we believe exist today. And, hopefully this

15 legislation will give us the reassurance and the

16 confidence that we really need moving forward to make

17 sure that the system is much more operable, and it's

18 not a manual system, and it's automatic in the 2019

19 year. I thank you. I'll turn it back over to Chair

20 Dromm. Thank you.

21   CHAIRPERSON DROMM: Thank you very much,

22 Chair Gibson, and I concur with you that this is a

23 top priority for this Council. Since Speaker Johnson

24 has been elected, he created the position that you

25 currently hold specifically to look at this based on

2   the number of complaints that Council Members have

3   regarding capital projects, and if you look at

4   Council Member Lander's legislation, he has the super

5   majority on there. So, this is definitely something

6   that we want to continue to look at. I'm going to

7   turn it over to Council Member Cohen to ask questions

8   and then Council Member Lander, and then we'll go to

9   other folks for questions.

10   COUNCIL MEMBER COHEN: Thank you, Chair.

11   Again, you know, I'm going to push back a little on

12   the idea that, you know, that 10,000 is just a

13   manageable universe of projects. It has to be a

14   manageable use of projects. You know, it's a city of

15   8.5 million people. I think that we, you know, we

16   have the bandwidth to actually have a centralized—and

17   it's—you know, and the data is of value. It would be

18   important to know that agency by agency, you know, if

19   one agency is spending, you know, $2,000 on a chair,

20   and one agency is spending $500 on a chair, that's

21   worthwhile and important. It's important data to

22   collect, and, you know, and also in a—in a city

23   where, you know, I have to tell constituents that a

24   dog run costs $2 million and a bathroom costs $5

25   million I believe we could find the resources to

1

2 centralize the data collection, and honestly I feel

3 like it is just reflective of that this is not a

4 priority that, you know, eventually there will be

5 some horrific scandal that things, you know, things

6 are going, you know, terribly wrong, and that will

7 ultimately cause real reform. But, it just does not—

8 I have no sense that there is any urgency around the

9 sorry state and—of our ability to deliver on capital

10 projects. One thing I—I'm interested in and maybe

11 and maybe, and I know—I know it doesn't exactly got

12 data, but well DDC. When DDC gets involved in

13 project like I have a Parks project that is, of

14 course, horrendously screwed up, but it's—now it's a

15 DDC project. When does—when—can—can you explain to

16 us a little bit about when that happens, and—

17   DANIEL STEINBERG: It's really a case by

18 case basis. DDC didn't used to take many Parks

19 projects at all historically, and have begun to take

20 more. I don't know the circumstances behind that

21 project.

22   COUNCIL MEMBER COHEN: I'd be happy to

23 share them, but if—No, that would have been DOT or

24 others. When—when does—is—is there any kind of—

25   DANIEL STEINBERG: [interposing] Sure.

1

2   COUNCIL MEMBER COHEN: --criteria that--

3   DANIEL STEINBERG: DDC largely handles

4   the linear street work, which is—which requires a lot

5   of coordination between agencies like DOT and DEP

6   and—they've been at their broker and that sort of

7   driver of of—of the coordination with—and—and so

8   projects like that often end up in the DEC portfolio.

9   And—and one important reform that's part of the

10 Strategic Blueprint is—is the creation of front-end

11 planning, which happened a couple of years ago, and—

12 and which has really started to expand and—and make

13 an impact and—and front-end planning is—is really the

14 first time DDC has had the ability to properly scope

15 projects with the involvement of the—of the agencies

16 that are sponsoring them. And that's the sort of

17 reform that we think will improve the data over time.

18 These are multi-year projects. So, it takes a long

19 time to see the impact of any of these interventions,

20 but we measure the impact of each one.

21   COUNCIL MEMBER COHEN: Yeah, I'm not

22 always sure even that we're-that we're measuring

23 like, you know, again I'm picking on parts only

24 because it's a—you know, it's a passion of mine,

25 parks and trying to make sure that—But I do believe

1

2 that some of the—the reform in reporting is sort-is,

3 you know, a manipulation of the data that we-- You

4 know, one reform that I found—reform that I found

5 particularly irritating was that we, you know, in my—

6 I think in the common sense—sense of a project, I

7 fund the project in June. The project is fully

8 funded, but Parks has decided that we've got to—you

9 know, we'll clip five months off of the project by

10 not counting the start time until we're actually

11 ready to scope it or do something. So the money just

12 sits around idle while—while something is—while

13 nothing is happening I guess. So, even—again if the

14 data is really just the tip of the iceberg here.

15 There are just so many—it's—it's just so, you know,

16 so frustrating and I—and I wonder like on the—on the

17 large scale projects that, you know, Council Members,

18 you know, I fund $2 million projects, $5 million

19 projects, whatever, you know, but, you know, I have

20 no sense at all on some of these massive city

21 projects. You know, my district is home to the, you

22 know, the infamous—infamous Croton Filtration Water

23 Plan that was, you know, $900 million that cost $3

24 billion and Change. I meant there's just such a—you

25 know, and again there's no particular outrage about

1

2 these projects. I don't know if there's a question

3 in here. I'm just rambling on about frustration.

4 [laughter] I'm going, yes, I'm going to turn it back

5 to the Chair, but I—you know, and I think I made my

6 point about the fragmented data. Alright, thank you,

7 Chair. Thank you.

8   CHAIRPERSON DROMM: It's quite

9 understandable, and I have to say because I heard

10 testimony before also about Parks. Yes, they have a

11 system, but even that system is deeply flawed, and,

12 you know, you go onto that system and—and the dates

13 are all off. It's not updated. It's—it's—they don't

14 even know what—what information they're putting in

15 there. So, it's a whole—that's a whole other issue,

16 but we could go on and on. Council Member Lander.

17   COUNCIL MEMBER LANDER: Thank you, Mr.

18 Chair and thank you guys for being here, and I want

19 to push in the spirit of getting to the right place

20 here like yes, it's, you know, it's the gotcha of the

21 tracker behind is—is part of the pushing for us to

22 get this right. It's hard. What we're asking--for

23 the change we're asking for here is not simple, and I

24 don't want to pretend it's simple. And so, I want to

25 ask some questions about what it's going to take to

2 really get there because I think pretending that it's

3 easier than it is will not help us get it right, and

4 I think that will take more coordination than we yet

5 have amongst the city's capital agencies. And I

6 think that will take more seriousness about getting

7 to a system that's actually a management tool, and

8 not a kind of something slapped on top of all the

9 existing systems, which is what we have now. And I—I

10 didn't even know what you said today about the web

11 forum, which is when I started banging my head

12 because the reason I got into all of this was when we

13 started doing participatory budgeting eight years

14 ago, I felt like we had inherited an obligation to

15 report to people who had voted for those projects on

16 what their status was. That's even just sort of

17 obvious to me. So, at first I thought surely there

18 must be a place in the city's budget or online where

19 you can just point to people, and when we learned

20 there wasn't, we then assigned staff in our office to

21 do what it sounds like the Mayor's Office of

22 Operations is doing to just call all the agencies

23 every quarter and ask for updates on the project, and

24 we put up tracker online for capital projects in the

25 39th District allocated by my office. So, I know

just how clunky that system is and it can't be what

we expand here. Like it will not work. It's not

only that it won't work to expand it to 10 or 15,000,

it won't work to expand it to a 1,000. To rely on

after people manage their projects in some other

system then they have an extra responsibility every

so often in a way that's of no use or value to them.

They have to go over somewhere else and enter it into

a web form. Like that cannot be the way we expand

this if we want the tool we have. So, I want to just

ask some questions about how—what it would look like

to get to the tool we need. So, I guess one thing I

want to ask is are you guys familiar with the tool

that that School Construction Authority uses for

tracking their projects?

DANIEL STEINBERG: We haven't looked at

it in years, but it sounds like we should.

COUNCIL MEMBER LANDER: You haven't

looked at it in years.

DANIEL STEINBERG: Yes.

COUNCIL MEMBER LANDER: Okay because--

DANIEL STEINBERG: [interposing] What's

the name of the tool? Of the--

1

2   COUNCIL MEMBER LANDER: [interposing]

3   Well, if you go to New York City Open Data Portal--

4   DANIEL STEINBERG: Right.

5   COUNCIL MEMBER LANDER: --every quarter

6   the School Construction Authority, I don't know what

7   the name of the—I'd love to know the name of software

8   of the system that they use and the new Commissioner

9   of the Design and Construction I think was there

10   throughout the time at the SCA when they built the

11   system, but it got just dumped into the Open Data

12   Portal in the most recent update on February 1st and

13   it has like 10,000 rows. So, it leads me to believe

14   that they are tracking every equipment purchase and

15   every capital project, and—and I have to believe,

16   though I don't know for sure, that that means it's

17   integrated into the way they're managing their

18   projects that it isn't this kind of layer on top.

19   Obviously somebody knows when a piece of equipment is

20   delivered and installed. That is recorded. So, it's

21   definitely true that if what you have is an old piece

22   of Legacy software where someone records that in like

23   DEP's system, and then somebody else is responsible

24   for putting into FMS to tell OMB that the check, you

25   know that the check was paid and the thing was

1

2 delivered, and somebody else is responsible for

3 filling out a web form to put it in the capital

4 projects tracker, it's not going to work. And it

5 seems to me that must not be what's happening with

6 the SCA's tracker, or I don't see how they could

7 maintain the level of data that they have there. So,

8 my hunch is that they've built a system that, you

9 know, I don't know whether folks have it on their

10 hand-helds in the field and when a change order is

11 approved it goes into the system. You know, each of

12 the steps along the way, but so (1) I guess I would—

13 I'm enthusiastic that you guys are open to doing this

14 with us. I am mindful of the challenges. So, I want

15 to be realistic in the steps and time to get there.

16 We may need to expand it in kind of some stages that

17 the goal does have to be every project. So let me be

18 clear. Like it is irresponsible not to have tracking

19 system that tracks every project including equipment

20 purchases, but I understand we can't have that

21 tomorrow. So, how we're going to do it is going to

22 take some work, but I guess it sounds to me like

23 we're just at the beginning of that work. So, let me

24 ask you a couple of coordination questions. I mean I

25 was as I mentioned before, encouraged by the new DDC

1

2 report, which reflects and effort to try to address

3 some of the kinds of issues members have been talking

4 about here today. Can you just—like what is the

5 relationship in capital projects management between

6 the Mayor's Office of Operations and DDC?

7   DANIEL STEINBERG: I'm not sure which

8 question to answer first but, you know, obviously the

9 SCA—I guess you didn't ask a question on that, but

10 the SCA example as perfect analogous (sic) that

11 system may be, all of our challenges obviously are

12 across agencies and not necessarily with—Although

13 there are some very legitimate challenges even within

14 some of the capital agencies especially smaller ones.

15 But-but in terms of our work with EDC, we have been

16 sort of immersed in—in-in the work that led up to the

17 Strategic Plan over the past few years. And our

18 office is very instrumental in—in the creation of the

19 Final Planning Unit and a lot of the analysis that

20 sort of demonstrated the need for—for better scoping

21 and predesign work. We work very closely with them

22 on—on certain programs. WE—there is a—we had a

23 monthly cadence for a long time around Southeast

24 Queens, and-and a lot of the work is happening

25 related to the buildout of—with green infrastructure,

2 and green infrastructure flood alleviation, and—and

3 we've worked with them on—on specific projects also.

4 So, it's—it's not easy to define this in any one way,

5 but we do work closely with them.

6   COUNCIL MEMBER LANDER: I know, yea and

7 I'm not—again, I'm pushing you a little because I—I

8 think the challenge of getting a good tracking system

9 exposes the flaws in our coordination. So, I, you

10 know, some of the capital agencies report to the

11 First Deputy Mayor, yes, and some to the Deputy Mayor

12 for Economic Development and Housing.

13   DANIEL STEINBERG: And Deputy Mayor of

14 Operations.

15   COUNCIL MEMBER LANDER: And some to the

16 Deputy Mayor of Operations. So, at what level is

17 there responsibility for a strategic coordinated look

18 at capital projects delivery for the city?

19   DANIEL STEINBERG: Look, Deputy Mayor

20 Anglin really has taken the lead on—on that work in a

21 universal way. Although Deputy Mayor Glen does have

22 I think bi-weekly, if not, it may be monthly, but I

23 think bi-weekly meetings with Commissioner Silver

24 were capital is discussed at every meeting, but

25 Deputy Mayo Anglin more formally kind of led the

1

2   internal charge around a lot of these reform efforts

3   that—that led into DDC's Strategic Plan.

4   COUNCIL MEMBER LANDER: But it—I mean

5   with—with due respect to—to her for sure, it sounds a

6   little more like you're describing a kind of

7   consulting role than a supervisory role. She has

8   been doing work developing a kind of like consulting

9   process to think about what's working, not—she's not

10   responsible for capital project delivery in agencies

11   that don't report to hear.

12   DANIEL STEINBERG: Uh-hm. Right.

13   Although DDC does build projects for agencies that

14   don't report to her and we report her. So it's that—

15   it's that convoluted--

16   COUNCIL MEMBER LANDER: [interposing]

17   Okay but I mean I think--

18   DANIEL STEINBERG: So, yeah.

19   COUNCIL MEMBER LANDER: --the answer is

20   that there's no one below the Mayor--

21   DANIEL STEINBERG: [interposing] That's

22   it. Right.

23   COUNCIL MEMBER LANDER: --to whom—who has

24   a unified strategic responsibility for capital

25   projects delivery in the city, which I just think is

1

2 one of the challenges we're facing or one of the

3 recommendations in this issue brief I have this

4 morning is to create a deputy mayor for

5 infrastructure. That won't magically solve anything,

6 and I'm not trying to propose it or the Dashboard as

7 a silver bullet, but I—I just—I'm and so, as we move

8 forward with you to figure our how to get the

9 Dashboard done so that we are providing transparent

10 information to New Yorkers on every capital project

11 so they know what's going on the school or whatever

12 the school when they can actually find in the SCA

13 Report, but, you know, what's going on with the

14 street repair on their corner. As we're building a

15 unified system that can be analyzed to see what's

16 working and not working and start to identify trends

17 and be used as a management tool. I think I just

18 want to make sure we're looking at coordination both

19 on the information side right? It—there is FMS,

20 which I know you said only speak to—to financial

21 issues but our staff were showing me this. There's

22 columns in it that speak to project dates, and speak

23 to reasons for delays. So, it-it shouldn't be that

24 kind of FMS is segment—segmented from this system.

25 It's segmented from the systems that the agencies are

1

2 actually using. I get that it's not going to be like

3 this to—to reinvent that, but if we're really serious

4 about the kind of reform we're trying to deliver, I—I

5 hope what we can do is not only negotiate bill text

6 and agree on like dates and numbers, but have a real

7 dialogues that's part of the reforms that are

8 currently underway, and that aims to get to, you

9 know, both a more efficient system and a higher level

10 of coordination across them.

11   DANIEL STEINBERG: From our perspective

12 the—the better you understand our challenges the

13 better the solution will be. So, we're—we're very

14 much looking forward to that work together.

15   COUNCIL MEMBER LANDER: Okay. My head is

16 still bruised from banging it on the table, and I—so

17 I'm going to try to balance like my note of optimism

18 with—because I do appreciate like your being here

19 and saying we want to work with you to get it done,

20 is encouraging. I didn't expect that necessarily

21 this morning and I really look forward to working

22 with both chairs to get it done, but I think both the

23 frustration that every member has with so many of

24 their projects and the urgency of system that's got a

25 creaky 100 year-old infrastructure that we al have a

1

2 responsibility to do a better job than we have been o

3 of maintaining and paying attention to is something

4 that it's just easy to let slip for all of us. You

5 know, tomorrow morning you wake up and there's a

6 crisis it demands our attention, and the long-term

7 work to be stewards of to take care of the

8 infrastructure and deliver capital projects in a

9 better way is harder to give the attention to that it

10 really needs. So, do we have your commitment to keep

11 it at that level of attention?

12 DANIEL STEINBERG: Of course. I don't

13 think I'm in a place to commit to anything beyond

14 working together and—and trying to find the solution,

15 but, um, but yes.

16 COUNCIL MEMBER LANDER: Great. That will

17 be our starting place. Thank you.

18 CHAIRPERSON DROMM: Okay, thank you very

19 much. We've been joined by Council Member Powers,

20 Van Bramer and Cornegy, and we are going to have

21 question now from Council Member Barry Grodenchik

22 followed by Council Member Powers.

23 COUNCIL MEMBER GRODENCHIK: Thank you,

24 Mr. Chair, thank you Madam Chair and what could be

25 more fun than spending my birthday at a Council

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2 Finance hearing except for also having a subcommittee

3 hearing wrapped around that as well. This is a very

4 important matter and, you know, I view this

5 legislation, these two pieces of legislation as kind

6 of like getting to the tip of the iceberg because we

7 are in a very, very sorry state, and I don't even

8 know where to begin. I want to echo Chair Gibson's

9 concern. She said there has to be a better system

10 and there really has to be because it is just taking

11 forever to do things, and I know that Parks is here,

12 and I have the honor of chairing the Parks. There's

13 like 73 different steps that it takes to go from

14 starting a project to finishing a project, and I

15 don't know if it took that many steps to get to the

16 moon. You know it's just-this is just impossible,

17 and my colleagues have asked some excellent

18 questions, but I want to know has there been internal

19 discussions at the Mayor's Office of the Operation?

20 I have discussed this with the First Deputy Mayor,

21 but I'm concerned not only about the—this legislation

22 I will do the tracking, but how do we eliminate these

23 steps? I mean it's just, you know, in Parks it goes

24 from Parks and—and there are very smart lawyers there

25 and then it goes to MOCS and this one and that one.

1

2   There's just too many steps. Can you talk about that

3   a little, even a little?

4   DANIEL STEINBERG: Sure. I mean I, yeah,

5   you're right that—that there are lots of, you know, a

6   lot of these steps sort of amount to controls, you

7   know, to—to—to make sure that the city is doing

8   things in a—with integrity. So, at the same time,

9   we're always looking for upgrades to streamline these

10 processes, and—and, you know, I think that the—the

11 rollout of the new procurement system over time is

12 going to help with a lot of that.

13   COUNCIL MEMBER GRODENCHIK: How long is

14 it going to take to roll out that system? I'm—I'm

15 very happy that Ms. Grillo is at DDC. I worked with

16 her for decades. She's wonderful, you know, but we

17 really, really, really and I'm hopeful that the

18 Council will hold a hearing on this soon, Mr.

19 Chairman and Madam Chair, but I just want to, you

20 know, add to my colleague's frustration today. I get

21 a lot of questions about, you know, timing on Parks

22 projects and I think that Commissioner Silver and his

23 team have—certainly have put a month or two at least

24 off, maybe more off the—of the process, but that

25 takes z long time to get results, and I—I think it

1

2   really, you know, stuff like water and sewers is not

3   sexy.   Parks is sexy, libraries are sexy. You know,

4   a water project just isn't, but it's critically

5   important more so than just about anything else that

6   we do. So, we really need to-to bear down on this,

7   and I just hope you'll take that message back to the—

8   to the other side of City Hall.

9   DANIEL STEINBERG: I will and I also just

10   want to remind everyone that I think we have a shared

11   legislative agenda in Albany when it comes to some of

12   these issues, and a lot of the extra steps are

13   possible to—to tackle with Design/Build and also some

14   of these tools.

15   COUNCIL MEMBER GRODENCHIK: Yes, I mean

16   those steps were put in to protect us from ourselves,

17   but they're really just hurting us. So, that's all.

18   I just—I—I share the—the frustration of this portion.

19   Thank you, Mr. Chair, Madam Chair.

20   CHAIRPERSON DROMM: Thank you very much.

21   Council Member Powers.

22   COUNCIL MEMBER POWERS: Thank you. Thank

23   you guys for being here, and thank you to both Chairs

24   for doing this hearing. I'm only in year 2 so I

25   haven't had the—the frustration yet in terms of

1

2   delays on projects, but certainly I talk to my

3   colleagues often about both the expense and the

4   delays in it so I can empathize and I appreciate

5   everybody being able to talk about it. [coughs] Just

6   two very quick questions. Everybody has sort of

7   echoed most of the sentiment of the Council I think

8   here. One is I—I know, I see DDC here. With the

9   Sandy Capital Tracker that exists today, is that

10 going to account for the work that's being planned

11 ahead in terms of the East Coast Resiliency Plan?

12 So, are we going to be able to see the—the progress

13 of projects in terms of contracts, timeline, and—and

14 for the project on that site?

15   DANIEL STEINBERG: My office doesn't

16 manage that tracker. So, I-I truly don't know. I

17 think that's—is—is that the Office of Resiliency?

18   COUNCIL MEMBER POWERS: Sure.

19   DANIEL STEINBERG: Can I invite--

20   COUNCIL MEMBER POWERS: [interposing]

21 Yes. I think he's got to get some more--

22   DANIEL STEINBERG: Mr. Springer.

23   COUNCIL MEMBER POWERS: He thought he was

24 not going even have to get up today. Yeah.

25

1

2   JAMIE TORRES SPRINGER: Yeah, happy to do

3   that Council Member. So, East Side Coastal

4   Resiliency is an example of one of those larger

5   projects that DDC is managing on behalf of the city.

6   It would be certainly reported within the—the tracker

7   that you're describing. I think it's a good example

8   also because from our perspective transparency is

9   really critical and valuable with the end goal of it

10 being to improve project delivery. So that's why this

11 is a very important conversation. The reporting of

12 data we would suggest [coughing] for—it shouldn't be

13 a substitute for regular in-person updating about the

14 status of projects, which is something that is a very

15 critical priority for DDC and East Side Coastal

16 Resiliency is an example where you will certainly

17 know the status of the project, the various

18 durations, star dates and end dates contracting

19 because we are deeply committed to keeping you and

20 your constituents informed through various different

21 levels. So, I think that's also an important part of

22 what DDC is—is attempting to do.

23   COUNCIL MEMBER POWERS: Yeah, I—and I—I

24 recognize that, and that we'll be able to have—well,

25 we will have frequent, as we have already

1

2   conversations around status of projects. I just also

3   want to make sure the public and—and—and others,

4   groups that are affected by it have an opportunity to

5   be able to review that data even if they're not in

6   the meetings with us. You have too—

7   JAMIE TORRES SPRINGER: I think there is

8   CHAIRPERSON DROMM: [interposing] I just

9   need you to state your name for the record.

10   JAMIE TORRES SPRINGER: Excuse me. I'm

11   sorry. Jamie Torres Springer, First Deputy

12   Commissioner of DDC.

13   CHAIRPERSON DROMM: Thank you.

14   COUNCIL MEMBER POWERS: Thank you and—and

15   just one second question. I—I—I as Council Member

16   Cohen was asking his questions it made me think about

17   something and other projects that I have, which is we

18   often fund the capital projects here at the Council.

19   We outlay money, work with the Mayor's Office or

20   agencies about what projects are priorities. We put

21   in a 15% contingency or I think it's 15% but correct

22   what—on what the right number is, and we put money

23   into it. I have gotten in my—the first year to—

24   projects come back to me saying you don't have enough

25   money from the city agencies because of some changing

1

2 scope of work, delay, but I never hear us come under

3 budget on that, and I—I assume we do or if we put a

4 contingency fee in that that money is then—is then

5 put somewhere. So, for all funding, the millions of

6 dollars or projects has continued to be put in, and

7 if there's no contingency, that money goes somewhere.

8 Where—what happens to that money when we fund

9 projects in the city we—or the Council we fund

10 projects, we build contingency fees in 15%. I maybe

11 just have to think of an example, but there is a

12 number and that money then seems to disappear if we

13 come under budget. I know when it—believe me, I know

14 when it's over because I have to—I'm going to ask for

15 more money, but I don't know what happens to the

16 money we put in when we go under.

17   JAMIE TORRES SPRINGER: I have to get

18 back to you on that. It's a very legitimate question.

19   COUNCIL MEMBER POWERS: And—and who would

20 know that, I guess?

21   JAMIE TORRES SPRINGER: OMB for-for sure.

22   COUNCIL MEMBER POWERS: OMB. Okay, I

23 would love an answer to that because I think we are

24 outlaying a lot of money and we—I—I don't know what

25

1

2   happens to the—to the—to it when we go on budget or

3   under budget. Okay, that's it. Thank you.

4   CHAIRPERSON DROMM: Thank you. Chair

5   Gibson.

6   CHAIRPERSON GIBSON: Thank you again and

7   I--I echo the sentiments of my colleagues and in

8   particular Council Member Lander and I appreciate

9   your presence and really a willingness to work with

10   us on making significant improvements to the system.

11   Someone asked about SCA's quarterly reports, and the

12   data that they use in terms of the volume, thousand

13   and thousands of projects. So, while you can't speak

14   specific to the SCA's database I mean is that

15   something that you can go back and look at in terms

16   of their operations and what system they use and take

17   away some, you know, just positive things that

18   they're doing that we could really talk about later

19   on in terms of a larger centralized system? Does

20   that make sense?

21   JAMIE TORRES SPRINGER: Yes. Yeah, we—we

22   certainly can.

23   CHAIRPERSON GIBSON: Okay. So, I actually

24   have a couple of questions about DDC and it was

25   mentioned that recently our new president announced

1

2   this strategic blueprint, that are really blueprint,

3   and I just wanted to ask a specific question about

4   DDC because in the MMR, DDC reports on the portion of

5   their capital projects that were completed early or

6   on time as well as the portion of projects that were

7   completed within budget, which is something that we

8   are very prideful about and usually it's broken down

9   by the project type. So, I wanted to ask how does

10 DDC track the statistics that are reported in the

11 actual MMR? So, if you could—Deputy Commissioner.

12 First Dep?

13   JAMIE TORRES SPRINGER: Sure. Thanks

14 Council Member. The-so DDC as was described by Mr.

15 Steinberg is among the agencies that does have its

16 tracking of project status. In fact, as part of the

17 strategic blueprint that you referenced, we noted

18 that we're undergoing a very significant IT

19 transformation plan that will involve developing a

20 project management system that we'll be able to

21 attract even better where we stand with our projects,

22 our payment systems, document management, all the

23 tools that we need to manage delivery of projects,

24 but as part of that information that we track we are

25 able to identify where projects stand in terms of

1

2 projected timelines and durations. And that's the

3 information that goes into the MMR.

4   CHAIRPERSON GIBSON: Okay and what system

5 is it that DDC uses to track all of these projects?

6   JAMIE TORRES SPRINGER: We're developing

7 a project management system that's—that's been called

8 Benchmark.

9   CHAIRPERSON GIBSON: It's called--?

10   JAMIE TORRES SPRINGER: It's called

11 Benchmark.

12   CHAIRPERSON GIBSON: Benchmark. Okay.

13 So, this new system DDC would use that for all of its

14 agency clients, right?

15   JAMIE TORRES SPRINGER: Yeah, we use it

16 for all of projects, Council Member. We have--

17   CHAIRPERSON GIBSON: [interposing] Okay.

18   JAMIE TORRES SPRINGER: --as you know, 20

19 sponsor agencies for whom we-we deliver capital

20 projects and—and we'll use that for tracking all of

21 those projects.

22   CHAIRPERSON GIBSON: Okay. So with the

23 tracking system what happens in a scenario where a

24 project is delayed, where there is some inconsistency

25

1

2   with a particular contract, how does the tracking

3   system actually report that?

4   JAMIE TORRES SPRINGER: Well, if I may

5   just—just back up a little just because you

6   referenced the Strategic Blueprint. We are very

7   focused on delivery on time and on budget for DDC's

8   projects. We've identified the sources of delays.

9   There are many different circumstances in which we

10   see delays, as all of you know because we try to

11   report on those. Some are because of inadequate

12   scoping and budgeting, which we're remedying with

13   front-end planning, and enhancing the Asset

14   Information Management System that was mentioned.

15   Some we're remedying through improved project

16   management, management of our contractors. Some of

17   it comes from just field conditions in a very complex

18   environment for delivering projects and again we're

19   doing more front-end planning, coordinating with

20   utilities. There are a whole series of initiatives

21   in here that will enable us to deliver more on time

22   and on budget. Part of that is that our IT system

23   will provide all of the sort of modern—you know,

24   modern tools for reporting and tracking projects so

25   that we're aware when we're—when we have schedule

1

2 issues. And we're also developing a community

3 relations and government relations structure under a

4 new Deputy Commissioner at DDC, and that will sort of

5 notify us when there are issues and concerns with a

6 project including timing and budget. So that we're

7 able to communicate about it.

8   CHAIRPERSON GIBSON: Okay. within DDC do

9 you have dedicated staff that manages the benchmark

10 system? How does that work?

11   JAMIE TORRES SPRINGER: Yes, we do,

12 Council Member.

13   CHAIRPERSON GIBSON: Do you know how

14 many?

15   JAMIE TORRES SPRINGER: I'd have to get

16 back to you. We have a Chief Information Officer who

17 has a—a number of staff. We've increased that

18 staffing level within our Strategic Plan and within

19 the Preliminary Budget proposal from last week. This

20 is a very critical priority for our agency.

21   CHAIRPERSON GIBSON: Okay, I—I appreciate

22 that. I think because DDC not just because you

23 oversee and manage so many projects with your partner

24 clients, but simply because this is important, and

25 we're talking about capital infrastructure. A few

2   years ago OMB worked very closely with Parks

3   Department and gave them funds to develop a front—a

4   front-end planning team, and just based on that,

5   effort I have seen substantial progress within Parks

6   Department still understanding that much work needs

7   to be done. But I think the front—the front-end

8   planning concept is something that has proven that it

9   can work. That coupled with other mechanisms like

10   Design/Build, you know, all of these things working

11   together. So, would you say from the perspective of

12   DDC that that unit and that mechanism has been

13   helpful in terms of efficiency and improving project

14   timelines over the courts of—of the agency?

15   JAMIE TORRES SPRINGER: I—I would. Yes,

16   Council Member, and as my colleague here mentioned,

17   front-end planning was a unit or two units really

18   because we have two sides to our agency, the side

19   that delivers road and sewer reconstruction projects

20   and the side the deliver those public buildings and

21   facilities. So, we have two front-end planning

22   units. They were created about a year and a half ago

23   and as you described, the purpose of that is

24   recognizing that going in and trying to scope a

25   project and budget for a project without being able

1

2 to get into the capital planning details, often

3 results in projects that are very difficult for us to

4 deliver. So, we have seen substantial improvement in

5 terms of the quality of the projects in our pipeline

6 as a result of that, and we're very pleased that, as

7 you mentioned, under this Strategic Blueprint we are

8 going to be doubling the size of that front-end

9 planning, but both of those front-end planning units

10 so that there's additional staff that can provide

11 those services.

12   CHAIRPERSON GIBSON: Okay. Another part,

13 and I believe it's in the blueprint, and just in my

14 general discussions with a number of commissioners

15 the bidding process is something that we are

16 constantly looking at and improving in terms of

17 opening up the arena for more bidders, more

18 entrepreneurs, not the same subset of companies that

19 the city has typically been working with through the

20 years. Many of my colleagues and we speak to a

21 number of companies and developers and there's a

22 general frustration where lots of companies don't

23 necessarily want to work with the city because of the

24 cumbersome process, timeliness of getting paid, et

25 cetera. And so I recognize that we are making

1

2 significant progress, but I also think we need to

3 look at diversifying the bidding process. And so,

4 if, you know, just saying as an example I know Parks

5 has referenced a lot, but, you know, not everyone is

6 in the business of building comfort stations. I

7 realize that, but I also that if we made a real great

8 effort, and it was a real priority for us, we could

9 find more companies that are in this business and

10 really make the bidding process more diverse, more

11 reflective of the city. And then when, you know, we

12 do go through that process, if you do have to

13 eliminate companies, you're not left with one, and

14 that one company that you may be stuck with that bid

15 is, you know, over the cost of the project. And

16 then that's where we come back in and we're being

17 asked to pay more for a project when that was not the

18 original price that we agreed upon. And so just out

19 of the frustration of what we have experienced I mean

20 I think the diversifying of the bidding process is

21 another good angle, you know, just as an example.

22 It's a part of that, you know, process that Council

23 Member Grodenchik talked about that can delay a

24 project, and can cause a project to be costly and

25 over the amount that we generally specified. So,

1

2 from DDC' perspective what would you recommend to us

3 in the Council in terms of your thoughts on how we

4 can look to get a more centralized system. So the

5 Mayor's Office of Operations and their current

6 Capital Tracker, what DDC is doing what Parks is

7 doing. I mean everyone is doing something different.

8 So, just from DDC's perspective since you do manage

9 so many capital projects, what would you recommend?

10 I'm sure it's probably in the report that I have yet

11 to read, but what would you say are some of the

12 things that we should be looking at and now the

13 system can be improved?

14   JAMIE TORRES SPRINGER: So, I—I may defer

15 some of the citywide reporting questions to the

16 Mayor's Office, Council Member, but I do—would take

17 the opportunity to very much agree with you and your

18 concerns about being able to get a broader way and

19 very high quality contractors working on city

20 projects. This is something we recognize as really

21 important. It's not a simple problem.

22   CHAIRPERSON GIBSON: Right.

23   JAMIE TORRES SPRINGER: Some of it

24 obviously relates to the market that we're in where

25 there's a lot of demand for contracting services, but

1

2 there's a lot that we as a city can do to improve on

3 that procurement. As mentioned before, we have one

4 tool for delivering a project. It's Design-Bid-

5 Build. We have to fully design a project before we

6 bid it out to a contractor. There's a lack of

7 integration between the design and the construction

8 of projects. That needs to change. It has changed

9 across New York State. It has changed across the

10 country, and another element of that, which is our

11 obligation to take the lowest bid that we receive

12 rather than having qualification based bidding with

13 contractors is one of the things that really limits

14 our ability to access quality contractors in the

15 pool. As you described, diversifying the pool of

16 smaller contractors including Minority and Women

17 Business Enterprises is a very high priority. We're

18 creating a business development unit to enable us to

19 do that. One of the things that holds us back from

20 getting a lot of different contractors doing our work

21 is that it's very challenging for us to pay them in a

22 timely way compared to other clients, and we are

23 remedying that both with our Information Technology

24 Systems that we've described, which will allow us to

25 process payments more quickly. And also the—the very

1

2 difficult issue change orders, which do emerge and

3 are part of life in capital project delivery, but

4 what's described in here is DDC is making an effort

5 along with the Office of Management and Budget and

6 the Comptroller's Office to seek allowances that can

7 get built into our contracts for things we know are

8 going to come up so that we can begin paying them.

9 And we've also reorganized our administration of

10 change orders. That's underway right now with the

11 agency, and that should enable us to go from what is

12 currently the case, which it can take up to a year to

13 pay a change order to us being able to within weeks.

14 So, that's a very exciting set of changes we're

15 making in order to do exactly what you described

16 Council Member--

17   CHAIRPERSON GIBSON: Okay.

18   JAMIE TORRES SPRINGER: --and we really

19 appreciate your support.

20   CHAIRPERSON GIBSON: Thank you very much.

21 I appreciate that, expediting the timeliness of

22 getting paid. That's a huge priority and I appreciate

23 DDC and the Mayor's Office of Operations for

24 prioritizing that. Just one last question. We

25 mentioned a number of agencies including DDC and OMB.

1

2   I wanted to understand does DOITT have any role or

3   responsibility in terms of managing databases and our

4   tracking system?

5   JAMIE TORRES SPRINGER: Well, DOITT

6   manages NYC.gov, which is where the information is

7   displayed, and they did work with us on the original

8   project to—to build the Dashboard, but we manage the—

9   the database in-house.

10   CHAIRPERSON GIBSON: Okay, great. Okay,

11   thank you, gentlemen for coming. I will turn it back

12   over, but really appreciate your presence here today

13   and we look forward to working with you. We are

14   going to improve the system. Some of us have three

15   years to go, but we're going to improve the system so

16   that we can really give New Yorkers our reassurance

17   that the capital process is more efficient and

18   effective and timely. So, thank you so much.

19   CHAIRPERSON DROMM: Forty of us have

20   three year to go. [laughs] I—Deputy Commissioner

21   Springer, we have another question Council Member

22   Lander wanted to ask of you so we can bring you back

23   up, and then we'll go to Council Member Levine.

24   COUNCIL MEMBER LANDER: Thank you, Mr.

25   Chair. I'll be brief here. Just on the benchmark

1

2   software, which sounds a lot like what we want to

3   have in some format more broadly to be able to do

4   what we're talking about, can you just give us a

5   sense of the timeline, the projected timeline and

6   cost and magnitude of what you're doing in order to

7   provide a system that has a lot of other benefits to

8   DDC as well, but would it make it possible to provide

9   the project updates without individuals going in and

10   entering a separate web form?

11   JAMIE TORRES SPRINGER: Sure, Council

12   Member we—so we are in the midst of a multi-year—

13   multi-million dollar IT strategic plan transformation

14   for the agency. So, I don't have the specific number

15   beyond the—they multi-million figure. This is a

16   critical year in creating that system. In terms of

17   the expansion of the preliminary system that we've

18   created and it is an automated system that will be

19   tied into other systems you've described like FMS.

20   And so, over the course of the next 12 to 24 months,

21   we'll be putting in place a number of those critical

22   components and then I think frankly, it will be

23   easier for us to deliver some of the information that

24   you've described. And then the only other thing I

25   would say is that as—as you mentioned Council Member,

1

2 this is not only about the public reporting which we

3 understand is critical, the transparency is critical

4 to project delivery improvement. It's also a

5 management tool for us, for our projects, and it's

6 also a communications management tool for our folks

7 within the agency who we are adding staff to that

8 capacity to interact with you and community boards

9 and borough boards, and critical stakeholders in each

10 district and each community to give them regular

11 updates. Which I—you know, I would say tracking and

12 transparency is important, but the nuances of why

13 things are happening have to be described as well,

14 and that's what that system will allow us to do as

15 well.

16   COUNCIL MEMBER LANDER: Absolutely. I can

17 give you another example of something that I don't

18 think should be a part of the public reporting tool,

19 but seems critical to me is keeping an eye on

20 contractors who are performing or not performing.

21 So, if somebody is in the midst of defaulting on a

22 project over here, the same agency and a different

23 division or another agency over here would know that

24 was—and they were considering bids with—Right now,

25 they—they probably don't know that that default is

1

2   happening over here unless Vendex had been updated

3   long later. We don't have a real time system for

4   managing contractor performance currently right?

5   JAMIE TORRES SPRINGER: We—we generally—

6   that information would generally be shared. Yes.

7   COUNCIL MEMBER LANDER: Is that—is that

8   across agencies currently. Okay. Well, that's good

9   to know. Okay so, and I wonder I guess since, you

10   know, commissioner Grillo is also—remains President

11   Grillo, you obviously have some sense of the—of these

12   interconnections and I guess I wonder—maybe two

13   questions, one simple and one slightly harder. You

14   know, the harder one is, you know, based on what

15   you're hearing today, what you've seen from your work

16   at EDC, which, of course, is managing a whole other

17   set of separate projects, and now at—at DDC. So you

18   have some insights that are worth adding about how we

19   build something that connects across agencies to do

20   what you're trying to do right now at DDC, and

21   hopefully simpler. Can we have your commitment to be

22   part of this process as we're working to figure out

23   how to negotiate this in a way, which not only lands

24   the bill, but puts us on a track to where we want to

25   be systemically?

1

2   JAMIE TORRES SPRINGER: I think that's—I

3 guess that's directed at me and I—I would certainly

4 say Council Member that we welcome the—the—the move

5 towards transparency. As I think has been described,

6 this is a very complex endeavor across agencies. So,

7 from our narrow perspective of the Department of

8 Design and Construction, we're building out the

9 capacity over the next 12 to 24 months to be able to

10 more adequately report on that, and—and then I would

11 defer the additional questions to my—my colleagues

12 from the Mayor's Office here.

13   COUNCIL MEMBER LANDER: Okay. I asked

14 you guys this before so, you don't need to answer it

15 again. I—I'm—alright, that's helpful. I think the

16 extra information just on understanding benchmark and

17 thinking about, you know, the role DDC can play with

18 the Mayor's Office of Operations as we move forward

19 here is—is useful. Thank you.

20   CHAIRPERSON DROMM: Okay, thank you.

21 Council Member Levine.

22   COUNCIL MEMBER LEVINE: Thank you so much

23 Chair Dromm and-and Chair Gibson and congratulations

24 Council Member Lander on amazing-amazing work on this

25 and this report and your questioning today. I have

1

2 been focusing on one piece of this challenge, which

3 is the Parks capital project process. We actually

4 had a hearing last week on this topic looking at a

5 bill Intro 161 that would strengthen the Capital

6 Tracker I'm sure you're familiar with. Again and

7 again and again in the Parks hearings the MMR comes

8 up because you have a very strange way of tracking

9 the on-time status of Parks Projects, which if—if one

10 looks at the MMR it shows an 88% on-time rate, and

11 any Council Member familiar with projects in their

12 district is going to be perplexed by that, and we

13 have figured out the disconnect, which is you're only

14 measuring one of what I would consider four states of

15 the capital project—process, which is construction.

16 So, there could be delays between when a project is

17 funded, and when design starts there could be delays

18 in the design process. There could be delays in

19 procurement, but as long as the construction was on

20 time, we are declaring success. Why don't we measure

21 on-time rates based on the full life span of the

22 projects?

23   JAMIE TORRES SPRINGER: I'm familiar with

24 the issue that—that you raised and saw the hearing

25 the other day. It's something we're willing to look

1

2 at in relation to the—the Mayor's Office of

3 Operations. So, that's currently the definition of

4 the indicator and, you know, but—but we're aware of

5 the issue.

6   COUNCIL MEMBER LEVINE: And that's

7 decided by your office? Who determines the

8 indicator?

9   DANIEL STEINBERG: [interposing] That

10 is—it's—so it's a sort of collaboration, but—but it's

11 something that—that's existed for a while, but—but

12 we're aware of the issue.

13   COUNCIL MEMBER LEVINE: And are you

14 already working on the next MMR?

15   DANIEL STEINBERG: It comes out in the a

16 couple of weeks, but--

17   COUNCIL MEMBER LEVINE: Can we expect

18 improvement on the Parks measure in that document?

19   JAMIE TORRES SPRINGER: In two weeks the

20 indicator will remain the same in terms of the

21 definition, but—but in between MMR as we look at all

22 sorts of issues like this.

23   COUNCIL MEMBER LEVINE: So, in two weeks

24 we'll know what the new indicator will be and—and

25 what those--?

1

2   DANIEL STEINBERG: No, in two week we'll

3 simply report out the data on the Indicator as it's

4 currently defined, but—but this is something -we're-

5   COUNCIL MEMBER LEVINE: [interposing]

6 Okay.

7   DANIEL STEINBERG: --happy to have.

8   COUNCIL MEMBER LEVINE: [interposing]

9 It's real—it's really important that we get this

10 right. It's—it's basically a useless measure at this

11 point. It's—in fact it's a negative because it

12 confuses people. The Parks Capital Tracker, which I

13 know has been referenced a lot here, is a huge step

14 forward, and I do want to give credit to Commissioner

15 Silver who I think has been very personally invested

16 in that project. There's ways it could be made even

17 better, and so as you're considering citywide

18 replication, which I strongly encourage, I hope that

19 examine some of the ways that we believe this can be

20 made even better, I—I won't list out every detail in

21 the bill, as we've proposed, but we do think some

22 explanation for delays could be helpful. We do think

23 more details are the timing of the funding of

24 projects can be helpful and the source of funding can

25 be helpful. We have some things, which are

1

2 relatively trivial such as what Council District it's

3 in, and other pieces of information, which should be

4 easy to determine. So, I—I hope that as you look to

5 take Capital Tracker citywide or across all agencies,

6 that you try and evolve to the next level

7 incorporating some of our—our most recent requests.

8 I-I really believe that countdown clocks on subways

9 are a great metaphor for what we're doing here. It

10 doesn't end the delay, but just having the

11 information is incredibly helpful, and I think in the

12 capital process having the accurate information will

13 be helpful for the public and for policymakers, for

14 accountability and transparency, and it's—it's

15 essential—it's simply essential to solving this

16 problem. Alright thank you--

17   DANIEL STEINBERG: Thank you and we--

18   COUNCIL MEMBER LEVINE: --and thank you

19 to the Chairs and thank you again to Council Member

20 Lander.

21   DANIEL STEINBERG: We share your vision

22 making it more resident centric. That's—that's

23 certainly driving our—our sort of mentality in terms

24 of how it's improved over time.

25

1

2   COUNCIL MEMBER LEVINE: Excellent. Thank

3   you.

4   CHAIRPERSON DROMM: And Council Member

5   Adams.

6   COUNCIL MEMBER ADAMS: Thank you for

7   being here today and thank you to both Chairs for

8   having this hearing. It's very important. I'm a

9   former member of the Board of Trustees for the Queens

10   Public Library system, and I'm sure that you know

11   that the backlog for the libraries has been extreme

12   exponentially, but I just wanted to back up. I just

13   want to put a plug in for the libraries for a minute.

14   I just wanted to back up a little bit. My question

15   is simply did we get a response to Council Member

16   Lander's question earlier about the—the Tracker

17   itself, the Capital Projects Dashboard Tracker itself

18   and when—when the—the overdue projects would be

19   looked at or tried to bring them up to speed and try

20   to get them current. Did we get an actual answer on

21   when that's going to be addressed?

22   JAMES PERAZZO: Meaning when will the

23   up-the Tracker will be updated?

24   COUNCIL MEMBER ADAMS: Yes to become

25   currently.

1

2   JAMES PERAZZO: Yeah, that's—that's

3   ongoing now.

4   COUNCIL MEMBER ADAMS: It's all—it's

5   currently ongoing?

6   JAMES PERAZZO: Yes, as we said it's a

7   manual process so it—it takes a few weeks to—for that

8   to all be completed.

9   COUNCIL MEMBER ADAMS: Okay and did we

10   get—I'm sorry if I'm backtracking. Did we get an

11   ideal of how many people actually work on those

12   updates on a daily basis?

13   DANIEL STEINBERG: A few including agency

14   resources. That's—that's a—a big analytical task

15   because so many people are involved across the city.

16   So we don't have that at our fingertips but we're

17   happy to get back to on it.

18   COUNCIL MEMBER ADAMS: How many agencies?

19   DANIEL STEINBERG: There is over 20

20   agencies in the Tracker or in that ball park.

21   COUNCIL MEMBER ADAMS: Over 28 agencies

22   are working on the Tracker on a daily basis?

23   DANIEL STEINBERG: Or not on a—on a daily

24   basis. When, you know, the—the data is updated three

25   times a year and so at that time the agencies pull

1

2   data out of their own systems and—and put it into our

3   intake form.

4   COUNCIL MEMBER ADAMS: Okay, and I'm

5   going to ask another question. I apologize for

6   sounding redundant.   I'm just trying to get clarity.

7   So, at any particular time of the year, a designated

8   time of the year everybody is getting on the system

9   to update to Tracker at the same time?

10   DANIEL STEINBERG: Three times a year.

11   COUNCIL MEMBER ADAMS: Alright.

12   DANIEL STEINBERG: Well, not—yeah.

13   JAMES PERAZZO: Three times a year with

14   the release of the Capital Budget.

15   CHAIRPERSON ADAMS: And there is a start

16   date and a—and a cut-off date to when that

17   information is entered?

18   JAMES PERAZZO: Correct.

19   COUNCIL MEMBER ADAMS: Are you sure?

20   JAMES PERAZZO: We—we send a notice out

21   to agencies that it's—it's time to receive the—the

22   current data and they send it to us, and then we

23   refresh the system.

24   COUNCIL MEMBER ADAMS: Okay, that was my

25   question. Thank you very much.

1

2   DANIEL STEINBERG: Thank you.

3   CHAIRPERSON DROMM: Okay, thank you and

4   with that, we're going to stop here. Am I right?

5   LEGAL COUNSEL: Yes.

6   CHAIRPERSON DROMM: Okay and thank you

7   for coming in and we're going to call up our next

8   witness. Thank you.

9   DANIEL STEINBERG: Thank you.

10   CHAIRPERSON DROMM: Okay, and that will

11 be Elizabeth Brown from the New York City Independent

12 Budget Office. [background comments/pause] Can I get

13 a copy of this also? I don't think I got this.

14 Operations, Daniel.

15   FEMALE SPEAKER: Or DDC.

16   CHAIRPERSON DROMM: Or DDC. I'm sorry.

17 Yeah, DDC. [background comments/pause] Alright,

18 Elizabeth. We're going to swear you in okay?

19   ELIZABETH BROWN: Sure.

20   CHAIRPERSON DROMM: Okay.

21   LEGAL COUNSEL: Do you affirm that your

22 testimony will be truthful to the best of your

23 knowledge, information and belief? (

24   ELIZABETH BROWN: I do.

25   LEGAL COUNSEL: Thank you.

1

2   CHAIRPERSON DROMM: And please begin.

3   ELIZABETH BROWN: Good morning Chairman

4   Dromm, Chairwoman Gibson and members of the Committee

5   of Finance and Subcommittee on Capital. I'm

6   Elizabeth Brown, a Supervising Analyst at the New

7   York City Independent Budget Office. Thank you for

8   the opportunity to testify today regarding Intros 113

9   and 32 both intros that expand the information the

10   city is required to report on its capital projects.

11   IBO's role is to provide non-partisan information on

12   the city's budget to members of the City Council,

13   other elected officials and the public at large.

14   Although we generally do not make recommendations, we

15   support increasing government transparency especially

16   when it comes to budgeting, and for the closing

17   additional information of the sort required by the

18   intros being discussed today particularly when that

19   information is made available to the public. IBO

20   often receives questions about the city's Capital

21   Budget process—capital projects. These questions

22   range from status of a local project to broader

23   questions about the city's capital budgeting process.

24   While we can provide information on changes in the

25   overall budget and the shifts—and shifts in funding

1

2 for specific projects, we often run into roadblocks

3 when trying to identify and explain the cause of

4 project delays and cost overruns, which are often

5 what requestors most want to know. Identifying a

6 delay or a cost overrun for a specific capital

7 project is difficult given the nature of New York

8 City's Capital Commitment Plan, the city's Capital

9 Planning document. First, the Capital Commitment

10 Plan divided by budget line and then by project, a

11 project may be either for discrete work. For example

12 the reconstruction of First Avenue in Brooklyn or

13 maybe for a bundle of similar projects. For example,

14 improvements to highways, bridges and structures

15 citywide. How capital projects are defined varies

16 widely both amongst the agencies, but often within

17 one agency's capital plan. Next, while the

18 commitment plan provides the total funding plan for a

19 project, however it's defined, there is little detail

20 on the funding for the project individual components.

21 Moreover, it is often unclear if the funding levels

22 represent the total estimated cost of the project.

23 If funding is increased in subsequent plans, it could

24 be difficult to discern whether the new funding level

25 represents an increase in cost, which is could be an

1

2 overrun, a change in scope, or if the additional

3 funds were part of the—part of the initial estimate,

4 the cost estimates that are just newly reflected in

5 the city's budget documents. In terms of delays, the

6 City's Capital Commitment Plan provides very little

7 detail on the plan timeframe for a capital projects.

8 The Commitment Plan does contain a milestone field to

9 indicate the project's current status along with the

10 project's start and end dates. Unfortunately, these

11 fields are generally left blank even when that is

12 included, it is rarely updated in between plans. Last

13 week IBO provide similar testimony—similar testimony

14 at a hearing of the Committee on Parks and Recreation

15 regarding Intro 161, which would expand the

16 information the Parks Department is required to

17 report on an on—on it's online Capital Projects

18 Tracker that was discussed today. We find that a

19 useful tool that already provides detail on each

20 Parks capital project's location, phase, funding

21 level and timeline. The new data required for intro

22 161 would include information on the reasons for a

23 capital projects delay and the cause and extent of

24 cost overruns, similar to what is required in Intro

25 113. The Parks Tracker is a valuable resource that

1

2   we use routinely and we often assist members of the

3   public in using as well. Given IBO's support for

4   increased transparency and data sharing in general,

5   the enhanced Parks Capital Tracker—Project Tracker

6   could be an example for other agencies on how to

7   communicate progress and provide detailed information

8   on their capital projects. Thank you and I'm happy

9   to answer questions.

10   CHAIRPERSON DROMM: Very good I did not

11   attend the Parks hearing that you reference in your

12   testimony but I understand that it was very

13   worthwhile. A lot of my frustrations are similar to

14   what I hear—I hear was referenced in that hearing and

15   even with the tracking system that they currently

16   have on their website, it's often times not updated

17   and difficult to follow as well and I find that

18   sometimes even Park staff do not know what that

19   Tracking System says or disagree with it. So, I

20   appreciate you coming in and sharing your

21   observations as well, and I think that's what we're

22   about is about transparency also is that we know

23   what's going on. So, Chair Gibson.

24   CHAIRPERSON GIBSON: Yep, okay.

25

CHAIRPERSON DROMM: You are. Well, we appreciate it very much. Thank you for being with us--

ELIZABETH BROWN: Thank you.

CHAIRPERSON DROMM: --and thank you for giving testimony, and seeing nobody else, we are going to adjourn this hearing at 12:02 p.m. Thank you. [gavel]

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 ____ March 9, 2019 _____