



**NEW YORK CITY COUNCIL
COMMITTEE ON CONTRACTS JOINTLY WITH THE COMMITTEES ON
GOVERNMENTAL OPERATIONS AND ECONOMIC DEVELOPMENT**

**TESTIMONY OF MARGARET GARNETT
COMMISSIONER, NEW YORK CITY DEPARTMENT OF INVESTIGATION**

**CONCERNING INT. NO. 1980, A LOCAL LAW ESTABLISHING
A SPECIAL INSPECTOR WITHIN DOI TO REVIEW CONTRACTS AWARDED
IN RESPONSE TO THE COVID-19 PANDEMIC AND
THE ESTABLISHMENT OF A RELATED ONLINE DATABASE**

OCTOBER 22, 2020

REMOTE MEETING, VIRTUAL ROOM 2

Good morning Chairs Kallos, Cabrera, and Vallone, Councilmember Chin, and members of the Committees on Contracts, Governmental Operations, and Economic Development. My name is Margaret Garnett and I am the Commissioner of the New York City Department of Investigation (“DOI”). Thank you for inviting me to address the Committee on Intro Bill 1980, which proposes establishing a Special Inspector within DOI to review contracts that were awarded by the City under emergency circumstances in response to the COVID-19 pandemic; to continually evaluate such contracts to identify potential or actual deficiencies in monitoring and integrity and make recommendations; and to develop an online public database including specific indices from these contracts.

I have reviewed this Bill in detail and discussed it at length with the members of my team who have broad expertise in the area of contract oversight and vendor investigations. DOI cannot support this Bill in its current form.

In my testimony today, I will discuss what DOI’s role is in this crisis, what we have been doing as part of our anti-corruption mandate as it relates to COVID-19 contracts, and the reasons why the current Bill is not the best way to address what I believe are the Council’s policy goals in this area. I will also describe a potential option that has worked effectively in the past to manage oversight and auditing of crisis initiatives and projects in the City.

Although I oppose the proposed Bill in its current form, I commend these Council Committees for raising important concerns about accountability and integrity when the City is spending billions of dollars under emergency powers during a crisis, without the

usual scrutiny provided by the City Comptroller and other oversight agencies. To be clear, my opposition is not to the need for such action in some form, but rather to the structure and allocation of responsibilities proposed in the Bill, which I believe are not the best use of City personnel or City funds.

During a fiscal crisis for the City, it is more important than ever that beneficial oversight be conducted in a way that avoids unnecessary duplication of effort and deploys scarce resources efficiently and effectively.

DOI's Role in Emergency Contracting

I'd like to begin by outlining for the Council what DOI's role is in contracting (both emergency and non-emergency), and what we have been doing to date to provide some oversight over the City's COVID-19 spending within the current structure and mandate of DOI.

By way of background, in the standard vendor contracting process, the Procurement Policy Board ("PPB") rules reinforce integrity and fairness in the City's contracting process. PPB rules call for the involvement of multiple agencies and checks, many of which are captured in the City's primary contract and procurement system, known as PASSport. DOI has only one discrete role in this normal process, and that is to provide information related to Vendor Name Checks ("VNCs") of the vendor and its principals for contractors that meet the PASSPort disclosure threshold of \$250,000 or more, whether on one contract or over a 12 month period. This is a not a full background check, nor is it a responsibility determination. DOI's role in the contracting process is very limited: we check our own internal databases and relay to the contracting agency whether

DOI has previously investigated a vendor or its principals and had substantiated findings from those investigations.

The information DOI provides is only one small part of the vetting process. City agencies are expected to go through their own series of checks and ultimately make their own determination as to whether a vendor is responsible and whether a contract should be awarded. Other agencies, such as the Mayor's Office of Contract Services ("MOCS") and the Comptroller also play very important roles and provide crucial oversight in this area. DOI is one resource for City agencies during this process, but we do not parse through individual contracts or bidding processes, and do not continuously evaluate the breadth of the City's contracts or procurement practices for integrity deficiencies. That is not DOI's role, and it never has been.

As this Council knows, during the early weeks of the pandemic, there was a desperate need for Personal Protective Equipment ("PPE") and other items related to COVID-19 response, including everything from ventilators and vital medication to computing equipment that enabled City employees to do their jobs from home. This need was not unique to New York City. In particular, the procurement process for PPE became a chaotic seller's market, with decisions about whether to purchase PPE necessitating swift action so a vendor did not sell its equipment elsewhere. Because of the heightened emergency, the City suspended its regular procurement process through emergency executive order so it could navigate this critical situation more nimbly. Although the PPB rules contain emergency provisions meant to expedite the procurement process in an emergency, the executive order did not invoke that process but simply eliminated the role

of several agencies, including the City Comptroller, which normally has a robust oversight role in the City's procurement process, and DOI, which has a much more limited role in vendor review for larger contracts.

However, DOI understands the value of even our limited role in the contracting process. As a result, after the Mayor issued Executive Order 101, suspending the regular procurement rules, DOI proactively reached out to City agency contracting officers and to MOCS. For agency contracting officers, we offered to do our usual vendor name checks for them, even though they were not required by the EO, and assured agencies of our ability to do them on an expedited basis for emergency contracts. To date, we have provided that service for approximately 120 vendors for potential contracts that fell within the EO. In addition, DOI asked MOCS to provide DOI with a rolling list of contracts related to COVID-19. MOCS began providing us that list in April and has sent us regular updates when requested. We then provide those lists to the relevant agencies' Inspectors General within DOI for them to review as they deem appropriate. Each Inspector General geared their reviews to the specific needs of the agencies they oversee and the information provided to them by MOCS, taking a range of actions, from discussing the emergency contracts with their agency, to checking certain vendors through a matrix of databases or investigating whether certain purchases were made and if they comported with the intended purpose.

Emergency procurements and suspension of the normal safeguards provided by procurement rules create two distinct categories of risk for corruption and fraud. The first kind of vulnerability is in the contracting process itself, by, for example, creating

opportunities for sweetheart deals for connected vendors, or waste created through time pressures on agency contracting officers or the need to purchase certain materials for the first time. We have endeavored to address this first kind of risk through the spot-checking I have outlined above, as well as following up on our usual intake of tips and referrals.

The second kind of vulnerability is fraud by third-parties, where bad actors take advantage of an emergency to steal from the City by, for example, promising materials that they cannot deliver, delivering defective materials, or taking advantage of programs intended to assist vulnerable populations. DOI has also been active in targeting this risk category, and we have multiple ongoing investigations in this area that I cannot discuss publicly. However, one matter that has already been announced was the federal arrest of a New Jersey man attempting to deceive and price gouge the City into paying him and his co-conspirators approximately \$45 million for personal protective equipment he was not authorized to sell and could not deliver. DOI partnered with the United States Attorney's Office for the Southern District of New York on that investigation. Notably, that case began with one of this City's best defenses when it comes to ensuring integrity in contracts: astute and proactive procurement specialists who implicitly understand the complex, exacting details of contracting and related pricing, and question them. In this case, procurement specialists at the Department of Citywide Administrative Services questioned the astronomical price, and then City officials reached out to the manufacturer, leading to our criminal investigation. Finally, even where we have active investigations, we have given real-time feedback to agencies on their vulnerabilities and potential ways to address them, to try to stem any ongoing losses to the City.

DOI is primarily an investigative agency, albeit one with a very broad mandate. We are able to investigate any issue of corruption, fraud, malfeasance, and other related wrongdoing that involves the City. However, the breadth of that mandate means that we must be strategic and focused in how we use our resources, otherwise DOI risks diminishing its ability to make an impact and broadly combat corruption, fraud and waste. In the area of unprecedented emergency contracting, we have tried to use our resources and expertise effectively, without draining resources away from our many ongoing investigations into other types of corruption and fraud throughout City government.

DOI's Concerns with the Proposed Bill

I will turn now to outlining DOI's concerns with certain elements of the proposed Bill. This legislation has the admirable goal of ensuring integrity in the City contracting process during a crisis situation, protecting the taxpayer dollars used to pay these vendors, and providing public transparency. DOI supports all of these important anti-corruption principles, and I commend the drafters of this Bill for wanting to memorialize these good-government efforts through legislation.

However, DOI has a number of objections to the means by which the Bill proposes to accomplish these goals.

First, as to subsection (b) of the Bill, that calls for the creation of a public database: it requires that DOI develop, populate, and maintain an online database with information that is neither gathered nor maintained by DOI. To the extent the data called for by the

Bill is kept at all, it is kept either by MOCS or by each individual contracting agency. Moreover, DOI is an investigative agency. We have neither the personnel nor the expertise to perform the task called for by subsection (b). Gathering the listed information from dozens of City agencies and putting it into a public database created by DOI would be a herculean task for us, especially given our lack of experience with this type of work. Moreover, even if the resources were available, completing it within 30 days would not be remotely possible for DOI, given that qualified staff would have to be hired or diverted from other necessary tasks, the listed information would have to be culled from all of the contracting agencies, hundreds of contracts would need to be manually reviewed, a database with public functionality would have to be created from scratch, and staff would then have to manually input the information and check it for accuracy.

Public databases can play an important role in crowd-sourcing oversight of government operations and actions. In addition, this type of transparency can increase public confidence in how government is run. But DOI is not a manager of City information or data, nor an expert in creating databases. Accordingly, assigning this task to DOI would not be an efficient or effective use of City resources.

I would also urge these Committees to assess whether this section of the proposed Bill is duplicative of Local Law 76, which has already been passed by the Council and goes into effect on October 23rd, and also whether the desired transparency is already achieved, at least in part, by existing mechanisms for public disclosure such as the Comptroller's CheckbookNYC database. All parts of City government have an obligation

to conserve our resources during this challenging time by avoiding waste and duplication of effort.

Turning now to subsection (a) of the proposed Bill, which calls on DOI to create internally a Special Inspector for COVID-related contracting, I do not believe that staffing this function within DOI, with the tasks described in the Bill, is feasible or is the best way to achieve the apparent goals of this legislation.

As I have noted earlier in my testimony, DOI's role is as an investigative agency with a mandate to root out corruption, fraud and wrongdoing. It is not structured or adequately staffed to be an agency that parses through and reviews each and every COVID-related contract in the City, both looking back to April and forward, as the City continues to grapple with the pandemic. The continuous evaluation of contracts for monitoring and integrity deficiencies should be tasks of the contracting agency, which are awarding and managing the contract on a daily basis. During normal contracting processes, an important role is also played by the Comptroller, which has an extensive contract approval staff and audit staff focused on, and highly knowledgeable about, the City's procurement and contracting. When serious discrepancies are found, or when suspicious activity is identified, they should be reported to DOI and we step in at that point to investigate potential violations of criminal law or the City's conflicts of interest rules. We regularly receive and investigate such referrals from the Comptroller, from agency contracting officers, from MOCS, and from tips that come into our complaint lines from a variety of sources.

Becoming a de facto double-check agency for all City contracts is not the best or most effective use of our expertise and staff. This is particularly true because the City is already paying for this service to be provided by the skilled and experienced personnel at the Comptroller's Office, who are constrained only because of the current emergency executive order. Restoring the contract registration and independent oversight role of the Comptroller would accomplish all of the forward-looking goals of this Bill. Most significantly, requiring DOI to duplicate a task better performed by the Comptroller would limit our ability to conduct the breadth of anti-corruption work that we do across all City agencies, and to do the type of in-depth investigations that DOI has become known for, all of which are focused on deterring corruption and holding wrongdoers accountable.

The resources needed to establish a "Special Inspector" office as described in the Bill would be significant, and to do the kind of daily work outlined in the Bill would take hiring a Special Inspector, and a minimum of six specialized staff with audit or procurement expertise. This does not include the staff that would be needed to develop, populate, and maintain the online database described in subsection (b). This cannot be achieved effectively through redeployment of DOI investigators from other units, and certainly cannot be achieved without significantly taxing DOI's current, critical operations and investigations, which are already strained by staffing reductions due to the hiring freeze of the last seven months. Specifically, DOI has lost 36 staff due to attrition since January, including five data analysts, in addition to our normal stock of existing vacancies going into the calendar year. Due to the hiring freeze and fiscal crisis, we have been permitted to hire only one person since April.

A Better Option: Hire an Outside Integrity Monitor That Reports to DOI

While I believe creating a Special Inspector unit to review contracts is misplaced within the structure of DOI, I also understand the Council's desire to keep a close eye on emergency contracting and for greater visibility into these expenditures of City and federal money. To that end, a better option would be for the City to consider meeting that need through an outside Integrity Monitor that reports to DOI, a strategy that has been used numerous times during prior crises in this City that have called for large-scale contracting endeavors, for example the Ground Zero clean-up and the rebuilding efforts in the wake of Hurricane Sandy, among other extensive projects.

Hiring an outside Integrity Monitor for a specific and specialized short-term task is ideal for a variety of reasons. Our experience in this area has shown that outside Integrity Monitor firms are able to gear up and deploy highly specialized staff quickly to perform the kind of work that is set out in this Bill, faster and often for less money than could be accomplished by staffing a new unit within DOI. With a few experienced staff members, DOI can effectively supervise the work of these Monitors, who regularly report to DOI, particularly regarding any findings of wrongdoing or potential criminal conduct. A Monitor could, for example, audit a selection of the contracts entered into during the emergency period, with integrity and best practices in mind. On larger or ongoing contracts a Monitor can assist in ensuring that vendors are complying with City rules and providing the promised goods or services. This option allows DOI to act as it is mandated to do, as an investigative agency working with other investigators to find patterns of fraud and other

wrongdoing, working with prosecutors when laws have been violated, and issuing necessary recommendations within the City to tighten internal controls and improve practices.

In contrast, as I have outlined already, DOI does not have the staff, nor is it currently set up to do what the Bill calls for us to do. DOI would need to hire specialized staff, place them on the City's payroll, and then disband that unit in a year — actions that would all be highly difficult, time-consuming, and disruptive, especially given the current fiscal constraints. If the goal is additional oversight and review of the emergency contracting that has occurred over the last seven months, the City can get faster results and more bang for its buck through DOI hiring and overseeing an Integrity Monitor for this purpose. They become DOI's "eyes and ears" for a specific project, and the contract is designed to end when the project ends. And DOI has vast experience managing Integrity Monitorships, dating back to 1996.

Of course, an Integrity Monitor would still require expenditure of new funds at a time when the City faces severe fiscal constraints. However, should there be additional federal funds made available for state and local governments, such relief programs frequently include funding for integrity monitors or expressly allow funds to be used for that purpose. If funding were available from this or any other source, I believe that this alternative would accomplish the retrospective oversight goals of the proposed Bill, for less money and without diverting DOI's already strained resources from our many ongoing investigations (including investigations directly arising out of the City's emergency-response efforts). As to the prospective oversight goals for future pandemic-

related spending, restoring the independent oversight role of the Comptroller is a better pairing of problem with existing expertise than requiring DOI to attempt to duplicate this function. Finally, the contracting database requirement of the Bill, if it is needed at all in light of Local Law 76 and existing portals like CheckbookNYC, likewise should be performed by an agency with control over the data and expertise in database creation and management, none of which is currently possessed by DOI.

I thank the Committees for allowing DOI to share its significant concerns about this Bill and our suggestions that I believe will help the City achieve many of the same goals without weakening DOI's ability to perform its core anti-corruption mission across City agencies and functions.

I am happy to answer any questions that the Councilmembers may have.

**Testimony of Jamie Torres-Springer,
Before the NYC Council Committees on Contracts, Government Operations,
and Economic Development
Intro 1980 – Special Inspector for Emergency COVID-19 Contracts
October 22, 2020**

Good afternoon Council Members. I'm Jamie Torres-Springer – I serve as First Deputy Commissioner at the New York City Department of Design and Construction. In addition to that role, I and Commissioner Lorraine Grillo have been coordinating the City's supply of medical Personal Protective Equipment on behalf of the Mayor's Office, and it is in that capacity that I'm appearing before you today. I'm joined by several leaders from across City government who have played key roles in the City's efforts to ensure health care and other providers had sufficient PPE to address the unprecedented conditions of the COVID-19 pandemic: Dan Symon, Director of the Mayor's Office of Contract Services; Mersida Ibric, Deputy Commissioner of the Department of Citywide Administrative Services; David Starr, Assistant Commissioner for Emergency Field Operations at the Department of Health and Mental Hygiene; Lindsay Clinton, Executive Vice President of the New York City Economic Development Corporation; Ryan Murray, First Deputy Director of the Mayor's Office of Contract Services; and Victor Olds, General Counsel for the Mayor's Office of Contract Services. Margaret Garnett, Commissioner of the Department of Investigation has also joined us today to provide comments on Intro 1980.

The COVID-19 pandemic has required extraordinary efforts in all areas of life, for all sectors. As a public health crisis, it placed a great burden on our hospitals, nursing homes, primary care providers, and uniformed services agencies who require medical-grade PPE, including N95 respirator and surgical masks, isolation gowns, nitrile gloves, and other items, as well as breathing assistance machines, including full-service ventilator equipment. At different times over the last 7 months, all of our healthcare providers have had shortages of PPE, and

through concerted and heroic efforts, the City was able to step up and assist. These efforts saved many lives and avoided long-term health impacts for thousands of New Yorkers. They have positioned us to battle a potential resurgence and to recover as a city with a strong healthcare infrastructure.

This work took coordination across many agencies and outside groups at a scale rarely seen in local government. I want to highlight the work led by the Economic Development Corporation, working with New York City manufacturers, to create local production capacity for face shields, isolation gowns, test kits, and “bridge” ventilation machines (Spiros and Bi-Paps). Over the course of a few weeks, this initiative highlighted the innovation capacity of homegrown businesses, enabled some of our partners to pursue federal contracts and other sourcing opportunities, and opened up future manufacturing opportunities for local manufacturers. These efforts helped to build our citywide stockpile, while positioning New York City as a reliable future supplier of PPE in the event of another crisis.

There have been two phases of the effort: an emergency global effort last Spring to get PPE and equipment to health care and other critical workers during the height of New York City’s surge in COVID-19 cases, and our current work to ensure that the City has a reliable, high-quality and fully independent stockpile of PPE and medical equipment adequate to meet all our healthcare needs for at least 90 days in the event of a future resurgence. I’ll give you the key details on each of these phases.

Spring 2020 Peak

To fully appreciate the actions we took to get supplies and equipment to front-line workers, I want to take a step back and recall that in the Spring, New York City was the

epicenter of the world's COVID-19 crisis. From March 16th to March 27th, the seven-day average of cases went from over 700 to over 4,000 per day, and eventually peaked on April 8th at almost 5,300. Hospitalization rates and ICU utilization soared, and the City suddenly faced demand for PPE that numbered in the millions of units weekly for N95 masks, isolation gowns, gloves, and other critical items, an exponential increase from pre-pandemic averages. We faced an unprecedented and terrifying moment in our City's history.

This crisis of PPE supplies was met by a major disruption of the global supply chain for these items, which saw massive price increases, uncertainty about sourcing, and competition between state and local governments to secure these items from all over the world. The City managed to effectively navigate this breakdown of the supply chain by sourcing an unprecedented volume of emergency PPE and standing up local production to supply the needs of the Spring peak, all while ensuring we are well-positioned for reimbursement for these emergency purchases under the federal emergency declaration covering the pandemic.

Under Emergency Executive Order 101 (which amended Emergency Executive Order 100), the Mayor allowed modification of the City's procurement rules, enabling agencies to fast-track purchases of goods or services necessary to combat the crisis. This allowed us to acquire life-saving equipment at the scale and urgency we needed. We maintained a high degree of integrity in the process on behalf of the taxpayer during a difficult period: as is normally the case, each emergency contract is processed through the City's Fiscal Management System (FMS), and therefore made public through tools such as Checkbook NYC. Multiple oversight approvals are required for all emergency contracts, and to that end, MOCS coordinated with government partners, holding daily meetings with the Comptroller's Office to keep them aware

of upcoming contracts and processing, communicating frequently with City Council members who commendably did their part to identify potential suppliers of PPE and directed them toward our intake process, and coordinating with the State and federal governments on our sourcing efforts and stockpile buildup. Under the emergency procurement framework, the City quickly established a multi-agency operation to manage the procurement of PPE from sourcing to delivery and distribution. Before the onset of the pandemic, our procurement teams had little experience in purchasing PPE or medical equipment, which typically was carried out by our network of healthcare providers. But it soon became apparent that a centralized, inter-agency team would be necessary to find these goods in a destabilized supply chain where our traditional suppliers were completely overwhelmed. Through determination and a well-organized approach, this team was able to get these supplies into the hands of our healthcare workers and save lives.

The Department of Citywide Administrative Services (DCAS), Mayor's Office of Contract Services (MOCS), and New York City Economic Development Corporation (EDC) all played major roles. The Department of Health and Mental Hygiene (DOHMH) set out standards to guide the procurement of these goods and distributed them upon arrival to healthcare providers including hospitals, nursing homes, congregate care settings, funeral homes, primary care providers, uniformed emergency services providers, the Office of the Chief Medical Examiner, and others.

The sourcing team set up a process for intaking, evaluating, and prioritizing supplier offers to ramp up acquisition under pressing deadlines. This team evaluated nearly 5,000 supplier offers in a few weeks' time, a massive effort that surfaced the most credible offers with the capability to deliver a high volume of priority items quickly. The offers included local producers,

but local production could not meet the extent of the needs, and we were forced to look outside the City, State, and country for PPE and ventilators. Additionally, we have made an effort to utilize M/WBEs to the greatest extent possible as part of this operation, which has included PPE purchases and contracts for non-PPE response needs.

At the same time that we were rapidly building a high-volume sourcing operation, we legally established the City as an importer of record, which cut through typical process barriers, and sped up the delivery of essential supplies at a time when transportation logistics were fraught with delays. We also cooperated with PPE purchasing consortiums and healthcare supply chain experts to build strategic partnerships and add further rigor to our vendor capability and risk assessments.

Even considering this rapid mobilization, we operated in an emergency procurement context, not knowing if we would have the stock on hand to keep our healthcare and frontline workers safe, which required a constant balancing of urgency and risk. We considered a number of factors in determining whether to move forward with a purchase, including on-hand inventory, current and projected burn rates, product price, approval of product sample, delivery schedule, vendor capacity, vendor integrity, and the presence of multiple vendors per category to avoid single points of failure. No matter where each offer came from, it was evaluated against the same key criteria: whether it could reliably deliver a high volume of priority items on a short timeline, at a competitive price. To perform vendor background checks, we emulated the responsibility determination process in an expedited fashion to ensure that risk controls remained in place as much as possible.

In a few cases of the hundreds of orders that were placed, it became apparent that a contracted vendor could not fulfill the obligations set out in our agreement. In those cases, we canceled unfulfilled orders, and in three cases we are working with the Law Department to recover disbursed payments. On the whole, the global transportation and logistics supply chain was also severely strained by the onset of the pandemic, so we have worked with late-delivering vendors to ensure that the agreed-upon goods make it to us, rather than moving to an abrupt termination.

City employees in many agencies stepped up to this generational challenge with an extraordinary degree of dedication and professionalism. City staff worked countless hours, seven days a week. Several lost loved ones to the pandemic and returned to work shortly after to do whatever they could to minimize the tragedy. We also saw a tremendous level of support from nonprofits maintaining continuity of essential services during difficult times, and well-meaning vendors who worked diligently to supply the City with PPE on condensed timelines.

EDC consulted with local partners in adjacent industries (for example, life sciences, fashion and advanced manufacturing) to assist with the production of PPE and set up new sites for hospital bedding and food distribution. EDC also collaborated with local researchers and engineers to design a new model of ventilators (a/k/a “bridge ventilators”) to meet the City’s needs.

The City also structured a new unit to respond to the outpouring of PPE donations we received. This COVID-19 Public-Private Partnership team oversaw the creation of a web portal that allowed members of the public and business community to communicate with the Mayor's Office about potential donations and to schedule safe pick-ups. The City worked with corporate

partners such as Apple, Facebook, Peloton, Louis Vuitton and others who were able to donate large amounts of PPE to the City. Private partners were incredibly creative in how they repurposed their own stocks of PPE to donate to the City - for example, the Met Museum donated the PPE it uses for art restoration, and Anheuser-Busch redirected its distillery production from beer to hand sanitizer. All donated PPE went through the same rigorous quality assurance and distribution process as other acquired PPE.

This sourcing effort required a similarly massive and yet detail-oriented approach on the back end for storage and distribution. DOHMH monitored inventories at each hospital to make sure distribution matches localized needs, and we owe thanks to the major hospitals' emergency managers and Greater New York Hospital Association for their cooperation. DOHMH also provided evaluation capacity for samples delivered by vendors to ensure that the products being delivered to the City met our hospitals' standards. This well-organized back-end processing cycled back into the front end of our sourcing process by giving us a more detailed picture of week-to-week burn rates and needs, market feedback, and ways of improving the delivery process.

Understanding that the pandemic hit our low-income and communities of color the hardest, our crisis response and subsequent recovery efforts have paid special attention to these disparities and the longstanding inequities that COVID-19 exacerbated. Healthcare providers in these communities were a high priority recipient of PPE during the emergency and recovery phases of our COVID response. NYCHA facilitated free testing, PPE distribution, and meal deliveries for its residents, and we have worked to ensure widespread testing is available in communities of need. DDC is working with Health + Hospitals to create 3 post-COVID

ambulatory Centers of Excellence in underserved communities in the Bronx, Queens and Brooklyn. The City has assembled a Racial Equity and Inclusion Taskforce to identify specific short and long-term policy options to put racial equity at the center of the City's response, in areas ranging from food access and insecurity to housing.

We are proud that this massive undertaking ultimately proved successful. While there were shortages in the system and we all saw that conservation and other measures were necessary at the height of the peak last Spring, we were consistently able to provide PPE for frontline workers – and we did so in a way that responsibly used taxpayer dollars.

Summer/Fall 2020 Stockpile

Following the Spring peak, we have used the time we had to prepare for any future resurgence. At the Mayor's direction, we established a Medical PPE Service Center that could supply the New York City healthcare sector with peak volumes of PPE from the Spring for a full 90 days and meet any ventilation needs we might have. In consultation with DOHMH, we set target stockpile figures based on peak daily burn rates across the full set of PPE used to treat COVID-19 in medical settings. We are stockpiling a dozen categories of critical items in addition to ventilators including the following major categories: 13.5 million N95 masks, 37 million Level 3 isolation gowns, 54 million 3-ply surgical masks, 185 million nitrile gloves, 900,000 goggles, and 6 million face shields. I am pleased to report that we are well on our way to reaching and in most cases exceeding these 90-day stockpile goals in the next few weeks. We have also coordinated with the Governor's Office and State Department of Health, who have recently required that hospitals and nursing homes maintain a 90- and 60-day supply of PPE

respectively, and these providers report that they are at or well on their way to these targets themselves, giving us even more confidence that the City is prepared for any future resurgence.

We are building up our City-owned ventilator fleet, which in combination with resources at hospitals and ongoing support from the Strategic National Stockpile will enable us to ventilate over 8,500 patients at one time in New York City.

The Service Center is hosted at a secure location, with the stockpile exclusively controlled by the City of New York. We have now established accounts and trained over 1,000 healthcare providers in a secure ordering system that can fulfill any PPE order within one business day.

While we are confident that we have more than enough PPE for a future resurgence, we have worked with the Health Department to set allocations for each and every provider in the city based on usage data from the Spring peak and scientific modeling, making sure that providers servicing vulnerable populations and neighborhoods in need are prioritized.

As we have shared with the Black Latino and Asian Caucus (BLAC) of the New York City Council, between March and the end of September, DCAS encumbered \$901 million in funds to procure PPE, of which \$124 million went to M/WBEs. This is a strong performance considering a large portion of our PPE was sourced internationally. Looking forward, we are making every effort to ensure that we particularly direct new opportunities to M/WBEs as we enter the recovery phase for New York City.

As the City receded from the peak of this crisis and our sourcing operation built up a buffer of supplies, we shifted our sourcing into a more strategic, forward-thinking orientation.

We increasingly worked to build direct relationships with major global manufacturers and place high-volume orders that would allow us to safely move toward the 90-day stockpile without incurring any immediate shortages. We have maintained a strong contract management function to secure more stabilized prices as the global supply chain for PPE has stabilized.

During this second phase, we have also expanded the capabilities of this operation. We have moved beyond only supplying healthcare providers with PPE to be more of a citywide hub. For example, in June and July, we supplied 7 million masks to nonprofit service providers and their clients.

From a budgetary standpoint, our partners at OMB implemented a new set of fiscal code structures in the early part of March to track COVID-related expenditures and set ourselves up for reimbursement later. OMB and several other agencies are currently engaged in identifying grants and opportunities for reimbursement from federal and state agencies. This project will likely extend over the course of several years and we will be happy to keep the Committees apprised on the status of reimbursements.

Discussion of Intro. 1980

Turning to the bill being considered in this hearing, Intro. 1980 shares the goals of many of the efforts we took during the height of the crisis to gain assurance of vendor responsibility and promote transparency for our emergency spending. As I mentioned, we publicly disclosed all of the standard information on each emergency contract that would be made available for normal procurements, which includes a number of the data fields identified in this bill. We drew upon the expertise of the Department of Investigation to supplement our existing vendor background check process and collaborated with law enforcement agencies throughout the crisis period. We

also kept the Comptroller's office notified each step of the way for emergency contracts the City authorized, and their office continues to audit contract packages upon request.

Several aspects of the bill would be difficult to operationalize. As mentioned previously, delivery timelines have been less reliable than standard procurement due to the strain on global transportation logistics that the COVID crisis brought. Likewise, vendors are unlikely to provide the City with accurate information about their on-hand inventory, which could complicate their bargaining position. Finally, the City's tight budget constraints would make it difficult to add new positions with potentially new skill sets.

We are interested in working with Council to gain a better understanding of the intent of this bill. While much of the PPE stockpile has already been secured, we are always looking at new ways to add further rigor to our PPE procurement process.

Closing

In closing, I want to thank everyone from every sector who stepped up to help us get through this difficult period – the health and human services providers who rapidly adapted their efforts to the new socially distanced environment, the industry and production groups who stepped up to provide us with PPE or lent us their knowledge of the market, and staff across the City who worked with tireless dedication to save lives. I am extremely proud of this team, and through their diligence we are well-positioned to deal with the possibility of a resurgence.

We thank you for giving us the opportunity to testify on this important effort and I will now pass it over to Commissioner Garnett to discuss the bill being considered in this hearing before we take any questions you may have.



PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

Jumaane D. Williams

**TESTIMONY OF PUBLIC ADVOCATE JUMAANE D. WILLIAMS
TO THE NEW YORK CITY COUNCIL COMMITTEE ON ECONOMIC
DEVELOPMENT, COMMITTEE ON CONTRACTS, AND COMMITTEE ON
GOVERNMENTAL OPERATIONS - HEARING
OCTOBER 22, 2020**

Good morning,

My name is Jumaane Williams, and I am the Public Advocate for the City of New York. I would like to thank the Committee on Economic Development chair Paul Vallone, Committee on Governmental Operations chair Fernando Cabrera, and Committee on Contracts chair Ben Kallos for holding today's hearing.

The pandemic forced us to recognize that we were unprepared. The consequences of being unprepared for COVID-19 were clear. Too many people lost their lives. Others either suffered or continue to suffer. States competed with each other to get supplies such as masks and gloves. Our jails were a petri dish for the virus to spread. The lesson now is preparing for next time whether it is another wave or a separate pandemic.

Our federal government chose to do little if anything to help us. One White House adviser even said it was our problem to suffer from COVID-19. Meanwhile, our Governor and our Mayor have disagreed and continue to disagree on strategy. Their conflicting messages only confuse people at a time when we need unity. There is no other way to say it. Leadership, from the federal level to the City level, failed New York City. We need to understand that too for the next pandemic or future wave.

A major part of preparing is ensuring communities of more color are protected and given assistance. We read and heard that Black and Latinx residents were hit particularly hard from COVID-19. The disproportionate cases reflected how the virus exacerbated existing inequalities in our City. The death rate for Black and Latinx New Yorkers is, respectively, roughly 1.99 and 2.13 times higher than white New Yorkers, according to the New York City Department of Health and Mental Hygiene.

We know that people in communities of more color are more likely to hold in-person jobs that cannot be done from home. Yet they still go to work with no guarantee of hazard pay, reduced rent, or having enough food on the table. I recommend that the administration take note of these disparities, especially around the time a vaccine will be released. To be successful later, we need



PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

Jumaane D. Williams

to prepare now. We do not need to see, once again, communities of more color excluded or neglected.

The legislation by Councilmember Torres before the committee would require the Department of Investigation to monitor emergency contracts of the City because of COVID-19. The intent of the bill is to identify contracts that involve the City in a transparent manner and follow up on them if needed. I agree.

From March 6th to April 11th, the Department of Citywide Administrative Services ordered nearly 34 million masks. By April 17th, just 637,760 arrived. A separate order of about six million masks was requested in late March from a company called Digital Gadgets. Yet, after three weeks, only 137,760 arrived. Uncertainty loomed during the early days of the pandemic. I am sure the administration is aware of what worked and what did not work. There should be a plan for the next time.

That plan should also focus on including more MWBEs. The City spent \$4.08 billion so far in coronavirus-related contracts. Just 10 percent, or around \$454 million, were awarded to MWBE owned firms. Keep in mind it is October. I find it unacceptable that \$454 million was awarded to MWBEs out of the billions spent by the City. The New York City Comptroller's Office found in a July survey that 85 percent of MWBEs did not expect to survive the next six months. I cannot imagine the devastating impacts this would have if many MWBEs went out of business.

We should recognize that MWBEs are disproportionately struggling during this pandemic. About 70 percent of Black-owned businesses shut down from February to June, according to the Federal Reserve Bank of New York. This shows that communities of more color face higher risk of both contracting COVID-19 and closing their businesses. The administration should make it easier for MWBEs to apply and get contracts, especially if at least \$4.08 billion was spent. We need action on this to make sure we help MWBEs survive.

I emphasize that preparation is key to prevent a crisis from getting worse. There is no better example than the ongoing pandemic in this country. We have the ability to lead and show how to prepare effectively and clearly. I thank the chairs for the hearing, and I look forward to today's testimony. Thank you.

**Testimony of
Gloria Middleton, President
New York Administrative Employees
Local 1180
Communications Workers of America,
AFL-CIO**



**Committee on Contracts
Committees on Economic Development and Government Operations
Thursday, Oct. 22, 2020**

Good afternoon Councilman Kallos, City Council members, and other committee members.

My name is Gloria Middleton, President of Communications Workers of America, Local 1180. My union represents 9,000 active City administrative and private sector workers, and almost 6,000 retirees. I am here today to address the topic of personal protective equipment – PPE – and being prepared for a possible second wave of COVID-19 should one occur.

I am dedicating my testimony today to one of my Local 1180 members who passed away in March from COVID-19 – Priscilla Carrow. Priscilla was not just any Local 1180 member. She was a very active Shop Steward, loved by everyone who met her. She was a Coordinating Manager who worked at Elmhurst Hospital in Queens, the epicenter of New York City's pandemic.

Part of Priscilla's job was to distribute PPE ... to make sure everyone working with patients, with the public, at Elmhurst had face masks.

Everyone but herself ... because there wasn't enough to go around.

Because PPE was in incredibly short supply in a time of incredibly high demand.

We lost one Gd's most precious children due to the coronavirus, a blessed soul who gave her all every day at work at Elmhurst – a hospital overloaded with the coronavirus – to make sure others were taken care of. But when the time came for the City of New York to take care of Priscilla Carrow, and the tens of thousands of other New Yorkers who were classified as “essential” workers and reported to their jobs every day, they did not.

The City of New York did NOT make sure its workers were well protected. They did not make sure workers had enough face masks ... enough gloves ... enough hand sanitizer ... and enough disinfecting wipes. Unions stepped up to the plate and scrambled to find PPE wherever they could to fill the void. It wasn't easy but we did what we had to do.

If this City administration learned nothing else from the initial wave of the coronavirus pandemic, I hope they learned that they need to be better prepared. I hope they learned that there is no such thing as too many face masks or too many gloves. I hope the City administration has taken the time now to issue RFPs and actually compare the pricing, evaluate the products, and formulate a plan rather than overpaying when the second wave hits – and it more than likely will. The City is in an **extreme** fiscal crisis without a penny to spare. I hope it will not be wasteful in its purchasing of PPE by issuing contracts in a **reactive state** rather than a **proactive** one.

I hope the City of New York has actually learned a lesson from the first round of COVID-19 and the devastation we all went through so that Priscilla Carrow's death, and the death of hundreds of others just like her who stepped up to the plate as essential workers, was not in vain.



**Testimony of Tom Speaker to the New York City Council Technology
Committee on [Int. No. 1980 of 2020](#) (Torres)**

October 22, 2020

Thank you for the opportunity to submit written testimony on Int. No. 1980 of 2020.

This bill would establish a special inspector to examine contracts entered into in response to the COVID-19 pandemic. Within 30 days of the bill's effective date and continuing until the law expires, the inspector would report the contracts that have been reviewed in an online public database and notify contracting agencies on an ongoing basis of any deficiencies found, as well as potential remedies.

Reinvent Albany thanks Councilmember Torres and agrees with him that New York City should take extra steps to ensure the integrity of city contracts made in haste and under pressure during the COVID emergency. However, we wonder if instead of creating a new special inspector within the executive branch – which controls the agencies and authorities issuing the contracts – it would be more effective to have the City Council formally ask the independently elected City Comptroller to comprehensively review COVID-19 emergency contracts.

The Comptroller's office has extensive auditing experience and is already equipped with the necessary tools for inspecting emergency contracts. If the Comptroller conducted a review, there would be no need to appoint a new inspector or await the law's enactment, meaning that New Yorkers would be able to find out about the contracts much more quickly. One potential benefit of having a special inspector conduct an audit is the Department of Investigation's prosecutorial powers, which the Comptroller does not have. But the Comptroller could still easily refer cases to either local District Attorneys or the federal government, which could then bring charges. Therefore, we believe that the best approach is to request that the Comptroller's office review the contracts.

A Comptroller audit could also negate the need for a new database. The Comptroller's office runs the contract portal Checkbook NYC, which already features much of the information being requested. Placing the Comptroller's findings in Checkbook NYC would prevent the City from having to create a new database, a process that would almost certainly result in further delays.

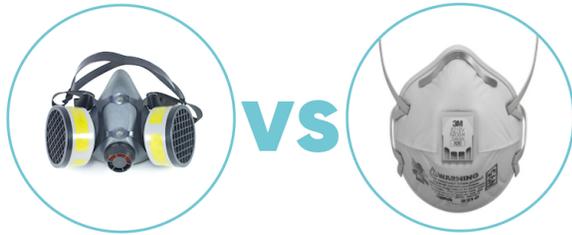
Beyond legislation, the City's COVID-19 contracts also present an opportunity for the Council, which can conduct oversight hearings and use its subpoena powers to investigate contracts of particular concern. This session's hearings on the MTA and Amazon HQ2 are two examples of cases where those powers have been put to good use. There is still more than a year left in the Council's current session, and we encourage Councilmembers to use their remaining time to embrace their oversight role and begin investigations.

Thank you for the opportunity to testify. If you have any questions, please reach out to Tom Speaker at tom@reinventalbany.org.

**Averting The Next Crisis: Utilizing Reusable PPE
Testimony from Covid Courage
for October 22, 2020 Hearing for Committee on Contracts**

Covid Courage is a community-based organization that was established in March 2020 and since then has sourced, produced and delivered over 30,000 pieces of PPE to NYC healthcare workers and at-risk community members. Our focus now is on promoting and supporting the uptake of reusable respirators in New York hospitals - including Elastomeric Filtering Face-piece Respirators (EFFRS) and Powered Air-Purifying Respirators (PAPRs)

Switching to elastomeric respirators can reduce
PPE expenses more than 10 fold each month!



1
Reusable
Elastomeric Respirator Set
Costs \$40
Lasts for years and
thousands of
patient encounters

1
N95
Costs \$5
Should be used for only
1 patient encounter,
therefore can cost
up to \$150/day per
healthcare worker
during COVID

Traditional disposable Personal Protective Equipment (PPE) such as N95 masks, are expensive, hard to wear for long hours and are overwhelming our landfills with toxic plastic waste. It is estimated that the US could generate an entire year's worth of medical waste in just two months during COVID surge conditions.

Our experience with Covid19 has made it clear that N95s are not well-suited to pandemic conditions, during which even a small hospital will burn through *thousands* of N95s each week. At the peak of the pandemic in NYC in April and May, wild-west type PPE purchases occurred as health facilities competed to procure enough disposable PPE. Small hospitals and clinics all over the city

were sidelined and even now struggle to purchase PPE due to untenably large minimum order quantities and competition from large purchasers, putting those who serve us at unacceptable risk. Widespread adoption of reusable PPE, such as elastomeric respirators and PAPR's, would mitigate the need to engage in the chaotic and unethical disposable PPE market and will ensure that ALL healthcare workers are adequately protected.

These reusable masks provide the same or greater protection against COVID transmission as N95s, and can be repeatedly cleaned, disinfected, and reused for years. Major health systems across the U.S. including the Allegheny Health Network in Pittsburgh, have successfully implemented large-scale elastomeric programs with well-documented distribution, fit testing, cleaning and disinfection protocols. Common arguments about difficulty operationalizing reusable respirators do not stand up to scrutiny given the examples of successful programs across the U.S., and the current environment where disposables are NOT accessible in adequate quantities and are themselves being re-used utilizing in-proven disinfection methods.

Working together, Covid Courage (<https://covidcourage.is/>), The New York State Nurses Association (NYSNA), and the NYC Public Advocates office have developed a pilot program with The Brooklyn Hospital Center (TBHC) to replace N95s with EFFRS and PAPR systems. With reusable respirators in place, TBHC could save over \$450,000 in expenditures on N95s in the first 90 days of the next COVID surge. Covid Courage is concurrently fundraising to purchase reusable respirators for additional NYC hospitals that have since reached out for support in implementing their own reusable respirator programs. With input from hospital systems that have successfully implemented elastomeric programs Covid Courage also offers the technical support that these health facilities need to utilize current best practice in the implementation and evaluation of their reusable respirator programs. We continue to advocate for uptake of reusable respirators at city and state level – you can see links to our open letter to Mayor de Blasio and Governor Cuomo and press coverage of our efforts, including a recent press conference, on our website – www.covidcourage.is.

We strongly urge the NYC City Council and NYC DOHMH to move now to facilitate the rapid uptake of reusable respirators in New York City healthcare facilities before the next COVID surge and continuing shortage of PPE puts our frontline healthcare workers at unacceptable risk once again.

We can be contacted for further information and conversation regarding this urgent issue:

Dr. Natasha Anushri Anandaraja MD, MPH

Co-Founder, Covid Courage

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NY City Council Committee on Contracts

Thursday October 22, 2020

Charmaine Lathan—Testimony

Good afternoon Chair Kallos and members of the committee. My name is Charmaine Lathan and I'm a security officer at a homeless shelter located at the Holiday Inn MSG on West 29th Street. I also live in a homeless shelter.

I started working at the Holiday Inn right as the covid-19 pandemic was hitting New York City, about 7-8 months ago. I am here today to talk about the conditions me and my colleagues faced during the height of the first wave. From March to September, many of us had no PPE—we did not have masks, gloves, sanitizer, or disinfectant. For months, my coworkers and I watched family members, friends, colleagues, and shelter clients get sick and even die from COVID, knowing that as essential workers we had no choice but to continue showing up to work.

At the time, Sera Security was my employer, sub-contracted by the Acacia Network, which serves as a major operator in the City's shelter system. For months, my coworkers and I put our lives and health on the line to serve our City's most vulnerable. Because I work at a city-contracted shelter, my job as you know, is essentially funded by the City—a City that prides itself in protecting those that suffer from homelessness and stands up for racial justice by painting Black Lives Matter in the streets. However, as a security officer in the shelter system and as a resident of a shelter as well, from March to September it was clear to me that my life, my children's lives, and the lives of my coworkers did not matter. Because of consistent lack of PPE and total disregard for our health and safety, security officers at various contracted homeless shelters filed a complaint with the Attorney General's office.

For about six months, I paid for my own PPE. I spent about \$60-80 every two weeks on disinfecting wipes, masks, sanitizer, and gloves. Spending almost \$200 a month on about minimum wage, for a job funded by the City is unacceptable. I have three amazing children that I provide for, that money should have been saved for us to leave the shelter system and get a place of our own. Additionally, because we are not paid the prevailing wage, like other guards in the City's public shelters many of my coworkers go without health insurance or are on Medicaid. We continued to put ourselves at risk, because it was the way to feed our families and because we could not abandon the clients who depend on us.

I want to thank the City Council for holding this hearing. I hope that you take action to make sure that workers like me—working in high-risk, city-contracted settings-- do not go without the protections we need as COVID cases rise again in NYC. Security guards in the shelter system are nervous that a lack of PPE might happen again, if a second wave hits NYC like earlier this year. You ensure our safety by making sure our employers give us the gear we need to work safely, and also by passing legislation that would guarantee that all guards in the City shelter system earn the prevailing wage—thereby giving us access to affordable healthcare, time off, and training we need and deserve. Having PPE and benefits we can count on is about respect for people's lives—not just my life, my children's lives, the client's lives and all of us who work and live in the City's shelters.



A United Voice for Doctors, Our Patients, & the Communities We Serve

Testimony of Doctors Council SEIU

Kevin Collins, Executive Director

Before New York City Council

Committee on Contracts and Committee on Governments Operations and the

Committee on Economic Development

Thursday, October 22, 2020

Good morning Chairs Kallos, Cabrera and Vallone. Thank you for the opportunity to testify today before you and the other members of the Committees and I hope each of you and your families are safe and well.

I am Kevin Collins, Executive Director of Doctors Council SEIU. We are the union for physicians and dentists, and we represent doctors in New York and different states.

As today's hearing deals with the COVID-19 pandemic and Personal Protective Equipment (PPE), I think it appropriate that we take a moment to reflect on all who have lost their lives due to the Coronavirus or who have been impacted by the loss of a loved one, lost their jobs or otherwise been negatively hurt.

Thank you.

I also want to lift up all the members of Doctors Council SEIU who worked and continue to practice during the COVID-19 pandemic and may be called on to do so with future waves of COVID-19 or other infectious disease pandemics. And it was not just the doctors but all the other members of the patient care team including nurses, techs and housekeepers, and all the other union members that kept New York City going during the pandemic and who risk their lives as essential workers for the patients and communities of New York City.

Many of our members of Doctors Council SEIU work for New York City. The work that our doctors do helps the communities and residents of New York City every day. The services provided across the five boroughs of New York City are vital, numerous and far reaching, ranging from managing and responding to the Coronavirus pandemic, to seeing patients in hospitals and clinics, to doctors in schools, to visiting patients at home, to providing services for those throughout the tri-state region with World Trade Center issues, to work in the Medical Examiners Office, to work in corrections/fire/ police and sanitation, and so much more.

Today deals with a couple of topics. With respect to Int. 1980 establishing a special inspector within the department of investigation to review contracts that were entered into in response to the 2019 novel Coronavirus, we are in favor of this. Due to the serious impact of the COVID-19 pandemic and future waves of this or other pandemics, anything that we can learn from what we went through is needed as well as having transparency in what occurred.

For example, the current method of the supply chain for PPE for hospitals and health systems is ridiculous, and as we recently witnessed, inadequate to handle emergencies. Even health

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systems that may have had PPE orders made in late 2019 or early 2020 may have seen these orders rerouted or used elsewhere. Further, there must be standard protocols in place to ensure that the PPE that does reach frontline doctors and other health care workers are in compliance with appropriate regulatory and safety standards. There have been suppliers of PPE that have sent supplies that were not proper and could harm the doctor and/or patient through the spreading of illness or injury.

PPE encompasses N95 masks and more, such as surgical masks, gloves, face shields, goggles, gowns, head and shoe covers, etc. that protect against the transmission of germs through contact and droplet routes. If you think of the doctors and other frontline healthcare workers as soldiers in the war against the virus, we must give them the tools and weapons to fight the virus otherwise they will become infected and end up as patients and potentially spread the virus to others.

Further, as these PPE contracts impact the lives and health and safety of healthcare workers and patients, they should be (a) on the health system website and (b) reported to appropriate government agencies for review and also to be available for public view. The government agencies should ensure that the PPE contracts are safe and secure and that one health system does not have different or lower standards than another. There must be a delineated list of standards to be met to ensure the safety of healthcare workers and the public.

Everyone deserves this and no less. Communities of color and those in lower income neighborhoods suffered the impact of COVID-19 far worse than others. Ensuring common standards of purchasing of PPE is one way of balancing the field and addressing inequalities.

As to securing PPE for a next wave or the next Pandemic, we must seek the highest common denominator and not the lowest. What I mean by that is during the height of the first wave of the pandemic, the CDC (Centers for Disease Control and Prevention) or the State DOH (Department of Health) – and various health systems that followed their guidance- would have various protocols such as 14 days to quarantine that became 7 days that then became 72 hours if symptom and fever free. PPE protocols similarly seemed on a race to the bottom or lowest common denominator. N95 masks that should be discarded after a procedure and should not be worn more than a day were now to be worn for 5 days. Established medical protocols were ignored and kept changing largely because of the lack of supplies.

This is to not necessarily blame any individual hospital or health system, for as I noted earlier, the supply chain system in our country is poorly designed and implemented. Hospitals should not have to compete with each other for PPE supplies nor sport team owners or players relied upon to deliver desperately needed supplies. However, inasmuch as what we went through shows the lack of leadership from the federal government to use the DPA (Defense Production Act), local states, cities and hospitals were unprepared.

We need to maintain the highest possible level of mandatory infection control measures to protect health workers and reinstate the longstanding Center for Disease Control (CDC) guidelines that governed the correct use of PPE when treating suspected and positive

infectious disease cases such as COVID-19 patients to reflect clinical fact rather than availability of supplies. This is necessary to ensure healthcare workers are protected from contracting and spreading the virus.

There is a proper way to use PPE including N95 masks. Using “surge capacity” as a justification when a sudden increase in patient volume that greatly challenges or exceeds the present capacity as a reason to use safety equipment beyond the length that they should, unfairly puts at risk health care workers and patients. Trying to extend the use of PPE through unsafe extended usage or “burn rates” is placing health workers and the public at risk.

During the first wave it was noted that the various health systems of New York were eventually in coordination to act as one. The degree of success of that is debatable but if indeed all the hospitals are to work in concert together then there should be one standard for the supply and use of PPE and a standard that is safe and secure not lowered based on lack of supplies.

As of September 30th, hospitals were to have 90 days PPE on hand to comply with New York State requirements. Key concepts here are that this is based on daily baseline burn rate of the daily average usage for the period of April 13-27, 2020. Yet, if PPE was being improperly extended and used during this time, such as N95 masks being used for 5 days as opposed to 1 day or being changed after each procedure, then this data will be faulty and perpetuate a shortage and improper use. Second, if health care workers were intimidated or afraid to ask for more or new PPE, or simply gave up, then a similar problem exists.

Whether the stockpile should be 90 or 180 days or more is something that should take into account the ability to use the supply chain to reorder and timely receive new PPE. One lesson learned is that you cannot overly rely upon the federal government or business as usual and as such it behooves cities and states to become self dependent in the creation and distribution of PPE. Potential local businesses and vendors should be vetted now and before any next wave or new Pandemic and the contracts should be transparent, reviewed and vetted in advance through proper oversight. The stockpile and number of PPE supplies should be transparent on each hospital website and reported to government agencies. There should be a central inventory and purchasing system for equipment and supplies that has enough to handle any surges and/or breakdown in the supply chain.

During the first wave, many hospitals started stewardship or guarding PPE and workers had to request PPE. Different department supervisors or different hospitals may have been employing different stringent standards thereby discouraging the asking for PPE. There should only be one standard- what best protects the doctors and other frontline healthcare workers as well as patients. If a doctor states that in his/her professional opinion that a N95 mask is needed or a new one is needed or that PPE is required then the PPE should be given.

This relies on the ability of a healthcare worker to be able to speak up without fear of reprimand or loss of a job but we saw various hospitals and health systems attempt to stop healthcare workers from speaking out. The proposed City Council legislation on protecting

workers who speak out in such situations as this is one we support and is needed. It benefits the workers and public.

My comments today may have focused on hospitals and health systems but I want to point out that they are equally applicable to all places doctors work, including in schools and correctional facilities as these doctors, healthcare workers, patients and public deserve to be safe and have needed resources. I also focused on PPE but these comments are also applicable to needed medical equipment and supplies such as ventilators and medications for patients.

At Doctors Council SEIU we created a 24/7 COVID-19 Hotline for our members. The real time firsthand accounts we received from our frontline doctors made us realize not only the heroic work being done but that hospitals and health systems could be better prepared for a Pandemic. It is our hope that what the City Council is proposing and the work being done will enable all of us to learn and work together to be prepared for the next wave of COVID-19 or the next Pandemic. Our patients, our communities and our doctors and healthcare workers deserve this.

Thank you again for the opportunity to testify and Doctors Council is always available to work with each of you.



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TESTIMONY ON BEHALF OF LOCAL 372, NYC BOARD OF EDUCATION
EMPLOYEES

DISTRICT COUNCIL 37 | AFSCME
TO THE COMMITTEE ON CONTRACTS,
THE COMMITTEE ON ECONOMIC DEVELOPMENT,
AND THE COMMITTEE ON GOVERNMENT OPERATIONS

OCTOBER 22, 2020

10:00 AM

Chairpersons Kallos, Vallone, and Cabrera, and distinguished members of the City Council, I am Donald Nesbit, Executive Vice President of Local 372 - NYC Board of Education Employees, District Council 37 | AFSCME. I am here today to provide testimony on behalf of the approximately 24,000 members Local 372 represents under the leadership of our President, Shaun D. Francois I.

First, I want to applaud all essential workers, especially those represented by Local 372, who have risked their own health and safety to perform vital services to the community throughout the past seven months. Though the school system was closed throughout much of the pandemic, many of the 9,000 School Lunch Workers and 2,600 School Crossing Guards remained on the job as much of the City shut down. School Crossing Guards remained vigilant to ensure that children and pedestrians crossed the streets safely in their morning and afternoon commutes. School Lunch Workers continued to unload, prepare, and serve food each day; and throughout

this pandemic, fed both students and food-insecure members of the community. Since the onset of the COVID-19 pandemic, over 10 million meals have been prepared and served to students, their families, and members of the community in need.

These workers were (and continue to be) placed in harm's way – at risk of exposure to the then-exploding pandemic – because their responsibilities play an essential role in keeping the wheels of society turning as our City combatted the virus. And now, with schools reopened, all Local 372 members must assume this risk every day to ensure the 1.2 million public school children of New York City be learning-ready. For example, in addition to School Crossing Guards and School Lunch Workers, School Aids are with students all throughout the day; various Community Titles work with parents to navigate the Department of Education; and Substance Abuse Prevention and Intervention Specialists (“SAPIS”) work with students in mental health, the prevention of substance abuse, gun violence, and bullying, as well as gang prevention and mediation.

The future that an education provides for a child is one of the most important obligations society must fulfill, and that is why tens of thousands of Local 372 members continue to face the threats of exposure and infection. However, though always on the frontlines, Local 372 members are not always treated like the essential workers that they are. That is why these workers need more than just applause – these workers need access to assistance, benefits, and protections that help them to continue safely working during this state of emergency.

Local 372 is grateful for the assistance our members have received thus far, however, the need for more protections is clear. Now and in future pandemic scenarios, these workers need an adequate, timely, and accessible supply of personal protective equipment (“PPE”), including masks and gloves, to mitigate the risks of transmission. To the extent that a special inspector (as

envisioned by Int. 1980-A) can shed a light to highlight existing inefficiencies and possible improvements to the emergency contract procurement process to further protect our members in the future, Local 372 is supportive.

In addition, the City should provide hazard pay (such as contemplated by Int. 1918) to appropriately compensate our essential workers for the sacrifices they must make. And with Local 372 members and students now back on location, it is extremely important that all our schools are cleaned regularly, with routine testing implemented to spot the virus before it can spread. We are very diligent in these efforts, however more support must be provided from the City. Especially now, with cases and clusters rising up, it is imperative that the City actively maintains vigilance alongside us in order for schools to remain a safe place to learn and work, and to prevent a return to the worst days of the pandemic.

On behalf of the 24,000 members of Local 372, NYC Board of Education, District Council 37 | AFSCME, I thank you for this opportunity to testify. I will answer any questions you may have.



LOCAL 420
DC 37, AFSCME, AFL-CIO

New York City's Public Healthcare Workers Union

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JOINT HEARING ON THE COMMITTEE ON CONTRACTS, ECONOMIC DEVELOPMENT AND GOVERNMENT OPERATIONS

SOURCING LOCAL PERSONAL PROTECTIVE EQUIPMENT FOR THE NEXT COVID-19 WAVE OR A FUTURE PANDEMIC

TESTIMONY

Good afternoon Chairs Kallos, Vallone and Cabrera and the rest of the members of the Committee on Contracts, Committee on Economic Development, and Committee on Government Operations.

My name is Carmen Charles, I am the President of AFSCME Local 420, Hospitals Workers Union. We thank you for holding this hearing.

Local 420 would like to recognize the dedication of all frontline workers and thank them for their service and sacrifice. We dedicate this testimony to the thirteen members of our Local and all those who continue to serve, and passed away fighting the COVID-19 pandemic.

New York City has become the national model for containing COVID-19 because of the hard work and sacrifices of frontline workers. All frontline workers are Heroes and deserve to be treated as such. If Congress is listening, it is long past time to make the Heroes Act the law of the land. It is the least that you can do, considering what frontline workers have faced and continue to face because Washington, D.C. botched the response to COVID-19.

Local 420 represents more than 8,700 Local 420 members across 11 acute hospitals, five long term care facilities, five diagnostic health centers and more than 500 clinics across New York City, along with the technicians and aides employed at the Office of the Chief Medical Examiner, Fire Department and Department of Corrections.

In all of my years within the healthcare profession, I never could have imagined encountering something as insidious as COVID-19. At the onset of the pandemic, the New York City Health + Hospitals ("H+H") along with hospitals across the country were caught off guard by the pandemic. The lack of preparation meant that Local 420 members had to work without the proper Personal Protection Equipment ("PPE") at the very beginning when medical professionals were still learning how to treat the deadly disease.

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LOCAL 420
DC 37, AFSCME, AFL-CIO

New York City's Public Healthcare Workers Union

Carmen Charles
President

Ursula Joseph
1st Vice President

Angel Benitez
2nd Vice President

Esther Simon
Secretary-Treasurer

Samuel Patrick
Recording Secretary

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H+H is the very tip of the sword in treating New Yorkers as the city's safety net hospital system and treats the most vulnerable. It is a source of pride for Local 420 members who are responsible for providing care for our neighbors, friends, and family. To be a Local 420 member is to understand that our work is often a labor of love. It was that labor of love that carried us through the very worst of COVID-19.

In the earliest days of the pandemic, the severe shortage of PPE meant our members had to take drastic action to protect themselves from a highly contagious disease that at that time was a complete mystery and continues to baffle even the best healthcare professionals. The shortage of N95 masks, surgical masks, gloves, and gowns meant that my members had to reuse these items which are designed for single use.

Our Local had to purchase additional PPE for our members to help supplement the shortage of material. Some of our members and other healthcare professionals had to suffer the indignation of using garbage bags as makeshift surgical gowns to treat COVID-19 patients. At one point, the Union had to file a grievance against H+H because some of our members had to attend to patients with COVID-19 with only surgical masks because the hospitals wanted to reserve the N95 masks for nurses and doctors. It was appalling to hear of such wanton disregard for the lives of Local 420 members. It literally signaled to me and my members that our lives were worth less than that of nurses and doctors. We quickly put a stop to this action and for the rest of the pandemic, all Local 420 members who treat COVID-19 patients receive the same PPE as other healthcare professionals.

At the onset of the pandemic, my members were beyond terrified. In addition, to the lack of adequate levels of PPE, H+H failed to provide my members with consistent information of when they could expect PPE and other materials necessary to perform their jobs. Local 420 leadership spent that time going from hospital to hospital to reassure our members that we are there to support them and that the City's most vulnerable needed them. That labor of love is what kept my members marching into work each and every day since the pandemic started.

Our nation has suffered trauma from the past 8 months. I lack the words to describe what healthcare workers are experiencing. One of the worst things about COVID-19 is that it is a solitary illness. My members have provided care to COVID-19 patients with care and compassion. We have gone above and beyond our job titles to provide aid and comfort to dying COVID-19 patients that are alone and scared.

Part of the reason that we have lost so many Americans to COVID-19 is because we have been reactive in our response rather than proactive. Prior to the pandemic,

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we lacked the necessary PPE to protect frontline workers and the general public. As a matter of course, we must work toward stockpiling these materials to prepare for future pandemics and find ways to train the general public on how to properly use personal protection equipment and socially distance.

Int. 1980 is a good start toward being proactive against future pandemics. Local 420 believes that it is necessary to have a special inspector to review contracts that were entered into in response to COVID-19 to protect against wasteful contracts. However, we believe that this special inspector should also be tasked with stockpiling PPE for future pandemics of the same scale as COVID-19.

As the City's safety net hospital, H+H should never find itself in a situation where healthcare professionals have to use garbage bags to protect themselves and have to beg people to donate N95 masks and other PPE to do their jobs. Building a strategic stockpile of PPE means that we will be better able to treat New Yorkers in a future pandemic. Further, New York City should work with small businesses including certified Minority, Women-Owned Businesses located here in the City to obtain tax credits from the state and federal Government to help locally manufacture PPE so that we are not at the mercy of foreign countries and literally have to compete with the rest of the world to obtain PPE.

In addition to a strategic stockpile, the City should implement contingency plans for all New Yorkers to socially distance. All New Yorkers should be able to shift to remote working, school and other activities seamlessly which will help us stop the spread of future pandemics. This means, all New Yorkers having access to free laptops, tablets and high-speed WiFi.

I want to conclude by expressing my gratitude for the work of Local 420 members and all the essential workers of New York City. As COVID-19 surges across the country, we are reminded that this is an insidious and deadly disease that requires diligence, vigilance, professionalism and selflessness to successfully combat. Local 420 personify these traits and is one of the reasons why New York City has turned the corner on COVID-19.

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TESTIMONY: UJA-FEDERATION OF NEW YORK

New York City Council

Committee on Contracts

**Jointly with the Committee on Governmental Operations and the Committee on Economic
Development**

**Oversight- Sourcing Personal Protective Equipment for the Next COVID-19 Wave or a
Future Pandemic**

October 22, 2020

Thank you, Chairs and members of the Committees on Contracts, Governmental Operations and Economic Development for the opportunity to provide testimony on sourcing Personal Protective Equipment (PPE) during the COVID-19 pandemic and in preparation for a second wave or another future pandemic.

Established more than 100 years ago, UJA-Federation of New York is one of the nation's largest local philanthropies. Central to UJA's mission is to care for those in need. UJA identifies and meets the needs of New Yorkers of all backgrounds and Jews everywhere, connecting people to their communities and responding to crises both locally and around the world. UJA supports nearly 100 nonprofit organizations serving those that are most vulnerable and in need of programs and services. Nearly 40 of these nonprofits include Jewish Community Centers (JCCs), large human services agencies and Jewish Community Councils; each is committed to providing New York City residents with essential services throughout the pandemic.

At the onset of the pandemic, UJA's human and social service partners shifted their services to meet the needs of New Yorkers. They expanded food pantries and meal delivery, partnered with government to provide emergency childcare for essential workers, and in some cases continued providing in person services when necessary. All of these efforts required enormous quantities of PPE, including masks, gloves, thermometers, gowns, caps, face shields, goggles, shoe covers and hand sanitizer to keep staff and clients as safe as possible while providing essential, frontline services. Across UJA's network, providers estimated their weekly PPE burn rates from March through May 2020 at 20,000 N95 masks, 500,000 surgical masks and 500,000 pairs of gloves. Due to limited items on-hand, an inability for government to distribute supplies to providers promptly, and an overtaxed international supply chain, the cost to access PPE was exorbitant.

Providers attempted to secure supplies through formal channels without success, as items were in short supply and were first being distributed to hospitals and health centers. As a funder of human and social services providers in New York City, UJA worked to assist its network through the first wave of the COVID crisis. UJA sourced and purchased roughly \$300,000 worth of PPE on behalf of 31 providers in April 2020. Through this effort, UJA ultimately distributed 51,072 KN95 masks, 404,420 surgical masks, and 451,000 pairs of gloves to its partners on the front lines. It is worth noting that supplies were extremely delayed and did not arrive until July-July 2020 because of previously unforeseen inspections and regulations in China.

However, some providers had moderate success in purchasing PPE items, but had to pay premium prices, sift through opportunistic vendors, and compromised product quality. Others, who did not have the cash or resources available, were not able to purchase any PPE.

Recognizing current, persisting, and emerging needs for PPE as the COVID-19 pandemic continues, UJA developed a three-pronged approach to addressing the long-term PPE needs of organizations in the New York metropolitan area. Our intention was to set up a rational, sustainable system that included the following three program components:

- Create or participate in an existing PPE purchasing cooperative so that supply volumes could be aggregated across organizations, and organizations in New York could benefit from competitive pricing, quality assurance, and reliable delivery. Ultimately, UJA opted

to participate in the Jewish Federations of North America's (JFNA) purchasing cooperative.

- Formalize a partnership with the Afya Foundation for warehousing, (re)packaging, and distribution of supplies (as needed).
- Create a loan program to support a subset of agencies that will ultimately be eligible for government reimbursement for the purchase of PPE.

While UJA is proud to assist its partners to source and purchase PPE throughout the COVID- 19 pandemic and beyond, it is incumbent upon New York City to do the same for its contracted human services providers. While the Mayor's Office of Contract Services issued guidance for COVID-related expenses, including PPE, and in some cases provided some PPE to programs, providers must still source and pay up front for their own items. **New York City should be supplying adequate PPE and in cases where they cannot, prompt reimbursement should be a priority.**

As New York City is still in the midst of the COVID-19 pandemic, **UJA urges the City, with the support of the Council to establish a PPE stockpile dedicated to human services organizations and workers contracted to provide services with New York City. This stockpile should be monitored to ensure consistent supply throughout the current pandemic, as well as accounting for a large-scale second wave or any future pandemic.**

Thank you for the opportunity to provide testimony. Please contact stuchinh@ujafedny.org with any questions.