

COMMITTEE ON CONTRACTS JOINT WITH COMMITTEE ON
GOVERNMENTAL OPERATIONS AND THE COMMITTEE ON
ECONOMIC DEVELOPMENT

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CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

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Of the

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COMMITTEE ON CONTRACTS JOINTLY WITH
COMMITTEE ON GOVERNMENTAL OPEARTIONS
AND THE COMMITTEE ON ECONOMIC
DEVELOPMENT

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October 22, 2020

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Start: 10:03 a.m.

Recess: 1:48 p.m.

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HELD AT: REMOTE HEARING

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B E F O R E: Benjamin Kallos,
Chairperson for Committee on
Contracts

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Paul Vallone,
Chairperson for Committee Economic
Development

16

17

Fernando Cabrera,
Chairperson for Committee on
Governmental Operations

18

19

COUNCIL MEMBERS:

20

Inez D. Barron
Bill Perkins
Keith Powers
Helen K. Rosenthal
Robert Cornegy
Peter Koo
Brad Lander
Carlos Menchaca
Mark Gjonaj
Farrah Louis
Alan Maisel
Kalman Yeger

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A P P E A R A N C E S

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Jamie Torres-Springer
First Deputy Commissioner from the Department of
Design and Construction

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Margaret Garnett
Commissioner of Investigation

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Dan Symon
Director of Mayor's Office of Contract Services

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13

Ryan Murray
First Deputy Director

14

15

Victor Olds
General Counsel

16

17

Mersida Ibric
Deputy Commissioner of Department of Citywide
Administrative Services

18

19

David Starr
Director of Countermeasure Response at the
Department of Health and Mental Hygiene

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21

Lindsay Clinton
Executive Vice President of the New York City
Economic Development Corporation

22

23

24

Judy Sheridan-Gonzalez
Emergency room RN and President of the New York
State Nurses Association

25

Kevin Collins

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Executive Director of Doctors Council SEIU

Donald Nesbit

Executive Vice President for Local 372, the New
York City Board of Education Employees out of
District Council 37, AFSCME

A P P E A R A N C E S (CONT.)

Carmen Charles

President of Local 420 AFSCME

Charmaine Lathan

Security Guard at a homeless shelter located at
the Holiday Inn MSG on West 29th Street

Lin Yin

Founder and Managing partner of Zoran Medical

Steven Miller

Fellow in Pulmonary and Critical Care at Brooklyn
Hospital Center

Theo Chino

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4 SERGEANT SADOWSKY: Good morning and at this
5 time, will Sergeants in charge of recording please
6 start their recordings.

7 SERGEANT BIONDO: PC recording started.

8 SERGEANT SADOWSKY: Thank you.

9 SERGEANT DAUTAJ: Cloud recording is good.

10 SERGEANT SADOWSKY: Thank you. And at this time,
11 will Sergeant Biondo please start with his opening
12 statement?

13 SERGEANT BIONDO: Sure. Good morning everyone
14 and welcome to today's Remote New York City Council
15 Hearings on the Committees of Contracts jointly with
16 the Committee on Governmental Operations and the
17 Committee on Economic Development. At this time,
18 would all panelists please turn on their videos.
19 Once again, would all panelists please turn on their
20 videos for verification.

21 To minimize disruptions, please place all
22 electronic devices on silent or vibrate mode. If you
23 wish to submit testimony, you may do so at
24 testimony@council.nyc.gov. Again, that is

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2 testimony@council.nyc.gov. Thank you very much for
3 your cooperation. Chair's, we are ready to begin.

4 CHAIRPERSON KALLOS: Good morning and welcome to
5 this joint hearing between the New York City Council
6 Committee on Contracts, Economic Development and
7 Governmental Operations.

8 Today is Thursday, October 22, 2020. My name is
9 Ben Kallos, I have the privilege of Chairing the
10 Committee on Contracts. For those of you who are
11 watching remotely, please feel free to participate in
12 this hearing by Tweeting me at Ben Kallos and my Co-
13 Chairs will share their Twitter as well.

14 Before I begin, I would like to extend my thanks
15 to my Co-Chair's Council Member Paul Vallone and
16 Council Member Fernando Cabrera as well as members of
17 all three Committee's and Council Member Ritchie
18 Torres for his sponsorship of Proposed Introduction
19 1980-A which we will be discussing at today's
20 hearing.

21 It is an extremely difficult time for our city.
22 While it has initially appeared that we managed to
23 get the COVID-19 pandemic under control early this
24 summer, outbreaks have begun propping up in
25 communities throughout the city in recent weeks and

1 threatening return to the dark days of the past
2
3 spring.

4 As we begin to move into the colder months and
5 inevitably return to indoor activities, the threat of
6 increased community transmission only increases. We
7 are here today to discuss how the Administration is
8 preparing for the possible next wave and what if
9 anything, we as a Council can do to ensure that the
10 city is adequately prepped in time.

11 Mayor de Blasio declared a state of emergency
12 back on March 17th, which remains in effect today.
13 The emergency declaration provides the Mayor with a
14 number of powers most notably for this hearing the
15 authority to suspend standard procurement rules for
16 the city's purchase of relevant goods including
17 personal protective equipment, testing kits and
18 ventilators. The goal of these emergency
19 procurements is to streamline operations for vendors
20 and contracting agencies by suspending some of the
21 layers of review required before a vendor a city
22 contract.

23 At the time of the Mayor's March 17th Emergency
24 Declaration, nobody anticipated we would be under a
25 state of emergency for this long. We are now over

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2 seven months into the emergency with no clear end in
3 sight and it is important that the city's vendors
4 continue providing consistent reliable supply of PPE
5 or protect against the next wave.

6 We are here today to ensure that the Mayor's
7 Administration has been doing everything it can to
8 prepare for a winter wave of COVID-19 infections
9 including stockpiling critical PPE, testing kits and
10 ventilators for responsible vendors who deliver on
11 their promises to the city.

12 To that end, I would like to thank my colleague
13 Council Member Ritchie Torres for introducing
14 Proposed Introduction 1980-A, which would apply to
15 temporary special inspector within the Department of
16 Investigation to review these emergency procurements
17 during the course of the declared state of emergency.
18 In normal times, this type of responsibility would
19 typically fall to a patchwork of agencies and
20 oversight bodies, but since we remain in a state of
21 emergency, much of that oversight work has been
22 suspended or delayed to long after a contract has
23 been awarded.

24 That is why I signed onto Council Member Torre's
25 Proposed Introduction 1980-A; I believe it enshrines

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2 some resemblance of a normal degree of accountability
3 in these anything but normal times.

4 I am glad to see several city agencies here today
5 to testify, including the Mayor's Office of Contract
6 Services, Department of Citywide Administrative
7 Services, the City's Economic Development
8 Corporation. We look forward to hearing from all
9 three as well as many city vendors and advocates who
10 have also registered to testify.

11 With that said, I know Chair's Vallone and
12 Cabrera are eager to make their opening remarks, so I
13 won't take up too much more time but I would like to
14 take a moment to thank the extraordinary work done by
15 the Contracts Committee Staff Legislative Counsel,
16 Alex Paulenoff, Policy Analyst Leah Skrzypiec, and
17 Finance Unit Head John Russell for their hard work
18 putting this hearing together.

19 I would also like to acknowledge that we are
20 joined by Council Members Koo, Council Member Louis,
21 Council Member Maisel, Council Member Perkins and
22 Council Member Yeger.

23 I will now turn it over to Chair Vallone for his
24 opening remarks.

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2 CHAIRPERSON VALLONE: Thank you Chair Kallos. As
3 Ben said, my name is Council Member Paul Vallone and
4 I am the Chair of the Committee on Economic
5 Development. I would like to echo Chair Kallos's
6 statements and thanking Chair Cabrera and the members
7 of all three committees, as well as the Public
8 Advocate Jumaane for submitting his testimony for
9 today.

10 A lot to cover. In the interest of time, I will
11 direct my opening statements toward the city's
12 economic development corporation but obviously we
13 have many questions for the other agencies here today
14 as well.

15 In preparation for today, our team has done a
16 thorough review of EDC's decision making throughout
17 the course of the pandemic and we see this hearing as
18 another opportunity to review those decisions, glean
19 the lessons learned and discuss how EDC is preparing
20 to tackle the next wave if it comes and when it
21 comes. The suspension or procurement rules at the
22 outset of the pandemic, not directly impacted, the
23 EDC standard procurement process, since the EDC is
24 effectively a city contractor itself and therefore
25 not bound by agency procurement laws.

1
2 Nonetheless, in response to the declared state of
3 emergency in March, EDC's Executive Committee
4 authorized the EDC to use any and all of its
5 available funds in support of city's procurement
6 efforts for PPE.

7 This including \$50 million in March to be used
8 for the EDC's programmatic funds for PPE to be
9 supplied to the H&H hospital system and for other
10 private hospitals in the city. They also set up a
11 citywide procurement portal for PPE that directed
12 vendors to EDC for proposals and rapid vendor
13 responsibility determinations. These determinations
14 took place with the assistance from the U.S.
15 Department of Commerce to help in vetting offers from
16 overseas. The majority of offers EDC received were
17 not up to the city's quality of integrity standards.

18 So, EDC also issued solicitations for local and
19 other domestic vendors to supply PPE during the
20 critical first weeks of the pandemic and our local
21 manufacturers were there to step up to this lead.
22 When EDC put out a call for local businesses to
23 manufacture PPE's, we got almost 3,000 responses.

24 As of late of this past June, at least 15
25 domestic manufacturers, nine of which are New York

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1 City based, produced over 4 million face shields and
2 14 local manufacturers produced 3.2 million isolation
3 gowns and EDC worked with local manufacturers to
4 develop COVID-19 testing kits and alternative
5 ventilators with its partners at the Brooklyn Navy
6 yard.
7

8 This accomplishment assisted in dramatically
9 increasing the number of tests the city conduct each
10 day and offered a more accurate picture of the
11 caseload and infection here in New York City. In
12 late April, the EDC Executive Committee approved an
13 additional \$50 million to purchase medical supplies,
14 which included funds for testing kits to be used at
15 public hospitals and community testing sites.

16 With those funds, EDC and at the Economic
17 Development Committee hearing back that we held in
18 June, at a target to help the city produce over
19 100,000 testing kits per week. At our June hearing,
20 we also discussed EDC's rapid progress in working
21 with local manufacturers to develop new supply chains
22 to produce ventilators, surgical gowns, testing kits
23 and other critical equipment to support the COVID-19
24 relief efforts here in the city. And they do this
25 by creating and preserving nearly 3,000 jobs. The

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1 majority of which were WMBE employers. As a result
2 of these successes, the EDC Executive allocated an
3 additional \$75 million toward PPE procurement for the
4 city.
5

6 In sum, as of June, EDC had authorized \$175
7 million toward PPE, medical equipment and testing.
8 EDC expects to be reimbursed for the city for those
9 expenditures and that \$175 million number could be
10 well higher today, which we are eager to hear.

11 This Committee and I am sure other Committee's as
12 well would like to know what total expenditures today
13 and what EDC's expectations for reimbursement in
14 light of the substantial budgetary shortfall the city
15 continues to face. Most importantly though we want
16 to know that the city is in good shape to handle the
17 next wave of infections and that the critical supply
18 chain remains intact over the coming months as cases
19 continue to rise both here and elsewhere in the
20 country.

21 We hope to hear from EDC that things are going
22 smoothly and that the PPE supply and stockpile are
23 stable enough to withstand another round of
24 infections and that equipment being procured is
25 actually being delivered as advertised. We

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1 anticipate that our colleagues at EDC are working
2 hard to keep us prepared for the next wave by
3 applying both practices learned over the summer and
4 we hope these sentiments are echoed by the other
5 agencies here today as well.

6
7 I know Chair Cabrera and Public Advocate Williams
8 who is not making it this morning but has remarks.
9 So, I won't hold much longer, I would like to hand it
10 back to Chair Kallos or actually Chair Cabrera for
11 his statement, and I would like to thank our
12 Committee Staff Legislative Counsel Alex Paulenoff,
13 Senior Policy Analyst Emily Forgione and Principal
14 Financial Analyst Aliya Ali for their always
15 continued hard work in putting this hearing together.
16 And now, to our Co-Chair Fernando Cabrera.

17 CHAIREPRSON CABRERA: Thank you so much. Good
18 morning, thank you to my Co-Chair's Council Member
19 Kallos and Vallone for inviting my Committee to
20 today's hearing and your leadership on this issue. I
21 am Council Member Fernando Cabrera, Chair of the
22 Committee on Governmental Operations. Let me just
23 take a moment to acknowledge other members that have
24 joined in. Council Member Yeger, Lander, Louis and
25 Powers.

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2 Today, we are conducting oversight on the city's
3 emergency PPE and medical supply procurement to the
4 COVID-19 pandemic. We hope to better understand how
5 the city made contracted decisions in the moment of
6 crisis. How the city adjusted to an evolving
7 situation on the ground and how the city has prepared
8 for a potential second wave or future public health
9 crisis.

10 And as you can see here today we have several
11 different agencies with us who play a role in PPE and
12 medical supply procurement. We would like to better
13 understand how all these agencies coordinated their
14 emergency procurement throughout the crisis. As soon
15 as the virus arrived in the city, there was a global
16 rush on PPE and critical medical equipment.

17 Through executive order, the Mayor suspended
18 regular procurement procedures which allow the city's
19 contracting agencies to procure supplies for the
20 city's frontline workers in an emergency basis.
21 between March and June, the Department of Citywide
22 Administrative Services secured roughly \$1.2 billion
23 in emergency contracts for things like PPE, cleaning
24 supplies, testing kits and ventilator equipment.

25

1
2 I want to thank Commissioner Camilo and her team
3 at DCAS for working around the clock to ensure that
4 our city agencies have the equipment that are needed
5 to continue serving New Yorkers. At our Executive
6 Budget hearing in May, Commissioner Camilo shared
7 that the city was already working on a long term
8 stockpile and I am looking forward to hearing an
9 update on that work today.

10 At the same time, the Emergency Procurement
11 process was not without difficulties. The city's
12 contracts point to new vendors who have not been
13 through the normal vending process as early as April
14 as several vendors have failed to deliver all of the
15 masks and ventilators that DCAS have purchased.

16 Other reports found that out of the 14 vendors
17 DCAS contracted with between March 6th and April 11,
18 only one had delivered the full amount of N95 masks
19 that DCAS ordered.

20 As of mid-April DCAS, cancelled an additional
21 \$171 million dollars' worth of contracts for
22 ventilators that never made it to the city. The
23 Committee is concerned about the appearance of these
24 unfulfilled contracts and hopes to better understand
25

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1 the issue. The virus still present in our city and
2 we must remain vigilant.
3

4 We must plan for future outbreaks and ensure that
5 we have the PPE and medical supplies we need to
6 protect New Yorkers.

7 Thank you to my colleagues for joining today's
8 hearing and the many staff behind the scenes to
9 ensure this remote hearing runs smoothly. I want to
10 thank my Committee and the staff for their work on
11 this issue. Committee Counsel CJ Murray, Senior
12 Policy Analyst Emily Forgione and Elizabeth Kronk and
13 Senior Finance Analyst Sebastian Bacchi and my
14 Communications and Legislative Director Mark Levine.

15 With that, I will turn it back to the moderator
16 but let me also recognize we have been joined by
17 Council Member Gjonaj, Rosenthal, myself and Perkins.

18 COMMITTEE COUNSEL: Thank you Chairs. I am Alex
19 Paulenoff Counsel to the Contracts and Economic
20 Development Committees of the New York City Council.
21 Before we begin testimony, I would like to remind
22 everyone that you will be on mute until you are
23 called upon to testify. At which point, you will be
24 unmuted by the host. Members of the Administration
25 who are testifying will not be muted during the

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2 question and answer portion of the Administrations
3 testimony.

4 I will be calling on panelists to testify.
5 Please listen for your name to be called. The first
6 panelist to give testimony will be the First Deputy
7 Commissioner from the Department of Design and
8 Construction Jamie Torres-Springer and the
9 Commissioner of Investigation Margaret Garnett.

10 The following members of the Administration will
11 be available for questioning. From the Mayor's
12 Office of Contract Services Director Dan Symon, First
13 Deputy Director Ryan Murray and General Counsel
14 Victor Olds.

15 From the Department of Citywide Administrative
16 Services Deputy Commissioner Mersida Ibric. From the
17 Department of Health and Mental Hygiene Director of
18 Countermeasure Response David Starr and from the New
19 York City Economic Development Corporation Executive
20 Vice President Lindsay Clinton.

21 I will call on each of you shortly for the oath
22 and then again, when it is time to begin your
23 testimony. During the hearing, if Council Members
24 would like to ask a question of the Administration or
25

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2 of a specific panelist, please use the Zoom raise
3 hand function and I will call on you in order.

4 We will be limiting Council Member questions to
5 five minutes, which includes the time it takes to
6 answer those questions. Please note, that for ease
7 of this virtual hearing, we will not be allowing a
8 second round of questions for each panelist outside
9 of the Committee Chairs.

10 All hearing participants should submit written
11 testimony to testimony@council.nyc.gov, if you have
12 not already done so. The deadline for written
13 testimony is 72 hours after the hearing. Before we
14 begin testimony, I will administer the oath. To all
15 members of the Administration and the Economic
16 Development Corporation who will be offering
17 testimony or who will be available for questions,
18 please raise your right hands. I will read the oath
19 and then call on each of you individually for a
20 response.

21 Do you swear or affirm to tell the truth, the
22 whole truth and nothing but the truth before this
23 Committee and to respond honestly to Council Member
24 questions? First Deputy Commissioner Torres-
25 Springer?

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JAMIE TORRES-SPRINGER: Yes.

COMMITTEE COUNSEL: Commissioner Garnett?

MARGARET GARNETT: I do.

COMMITTEE COUNSEL: Director Symon?

DAN SYMON: I do.

COMMITTEE COUNSEL: Deputy Director Murray?

RYAN MURRAY: I do.

COMMITTEE COUNSEL: General Counsel Olds?

VICTOR OLDS: I do.

COMMITTEE COUNSEL: Deputy Commissioner Ibric.

MERSIDA IBRIC: I do.

COMMITTEE COUNSEL: Director Starr?

DAVID STARR: I do.

COMMITTEE COUNSEL: Executive Vice President

Clinton?

LINDSAY CLINTON: I do.

COMMITTEE COUNSEL: Thank you. First Deputy
Commissioner Torres-Springer, you may begin your
testimony.

CHAIRPERSON KALLOS: Right before we do, I just
want to acknowledge we have been joined by more
members. Council Member Inez Barron, Council Member
Lander, Council Member Powers, Council Member
Rosenthal and Council Member Perkins, although he may

1
2 have been acknowledged before. And now, you may
3 begin.

4 JAMIE TORRES-SPRINGER: Thank you very much Chair
5 and good morning Council Members. Can everyone hear
6 me okay? great, I am Jamie Torres-Springer, I serve
7 as First Deputy Commissioner at the New York City
8 Department of Design and Construction. In addition
9 to that role, I and Commissioner Lorraine Grillo have
10 been coordinating the City's supply of medical
11 Personal Protective Equipment on behalf of the
12 Mayor's Office for the last few months, and it is in
13 that capacity that I'm appearing before you today. I
14 am very pleased to be here.

15 I am joined by several leaders from across City
16 government who have played key roles in the City's
17 efforts to ensure health care and other providers had
18 sufficient PPE to address the unprecedented
19 conditions of the COVID-19 pandemic and Council
20 introduced them, so I am going to introduce them
21 again, except to say that when my testimony is
22 complete, Commissioner Garnett will provide some
23 comments on Intro. 1980 as well.

24 The COVID-19 pandemic has required extraordinary
25 efforts in all areas of life, for all sectors. As a

1
2 public health crisis, it placed a great burden on our
3 hospitals, nursing homes, primary care providers, and
4 uniformed services agencies who require medical-grade
5 PPE, including N95 respirator and surgical masks,
6 isolation gowns, nitrile gloves, and other items, as
7 well as breathing assistance machines, including
8 full-service ventilator equipment.

9 At different times over the last 7 months, all of
10 our healthcare providers have had shortages of PPE,
11 and through concerted and heroic efforts, the City
12 was able to step up and assist. These efforts saved
13 many lives and avoided long-term health impacts for
14 thousands of New Yorkers. They have positioned us to
15 battle a potential resurgence and to recover as a
16 city with a strong healthcare infrastructure. This
17 work took coordination across many agencies and
18 outside groups at a scale rarely seen in local
19 government. I want to particularly highlight the
20 work led by the Economic Development Corporation,
21 working with New York City manufacturers, to create
22 local production capacity for face shields, isolation
23 gowns, test kits, and bridge ventilation machines
24 such as Spiros and Bi-Paps.

1
2 Over the course of a few weeks, this initiative
3 highlighted the innovation capacity of homegrown
4 businesses, enabled some of our partners to pursue
5 federal contracts and other sourcing opportunities,
6 and opened up future manufacturing opportunities for
7 local manufacturers. These efforts helped to build
8 our citywide stockpile, while positioning New York
9 City as a reliable future supplier of PPE in the
10 event of another crisis. There have been two phases
11 of the effort and I am going to talk about both of
12 them. An emergency global effort last spring to get
13 PPE and equipment to health care and other critical
14 workers during the height of New York City's surge in
15 COVID-19 cases, and our current work to ensure that
16 the City has a reliable, high-quality and fully
17 independent stockpile of PPE and medical equipment
18 adequate to meet all our healthcare needs for at
19 least 90 days in the event of a future resurgence.
20 So, I would like to give you some key details on each
21 of these phases.

22 First the Spring 2020 Peak surge activities. To
23 fully appreciate the actions, we took to get supplies
24 and equipment to front-line workers, I want to take a
25 step back and recall that in the Spring, New York

1 City as all know, was the epicenter of the world's
2 COVID-19 crisis. From March 16th to March 27th, the
3 seven-day average of cases went from over 700 to over
4 4,000 per day, and eventually peaked on April 8th at
5 almost 5,300.
6

7 Hospitalization rates and ICU utilization soared,
8 and the City suddenly faced demand for PPE that
9 numbered in the millions of units weekly for N95
10 masks, isolation gowns, gloves, and other critical
11 items, which is an exponential increase from pre-
12 pandemic averages. We faced an unprecedented and
13 terrifying moment in our City's history. This crisis
14 of PPE supplies was met by a major disruption of the
15 global supply chain for these items, which saw
16 massive price increases, uncertainty about sourcing,
17 and competition between state and local governments
18 to secure these items from all over the world.

19 The City managed to effectively navigate this
20 breakdown of the supply chain by sourcing an
21 unprecedented volume of emergency PPE and standing up
22 local production to supply the needs of the Spring
23 peak, all while ensuring we are well-positioned for
24 reimbursement for these emergency purchases under the
25 federal emergency declaration covering the pandemic.

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2 Under Emergency Executive Order 101, which
3 amended Emergency Executive Order 100, the Mayor
4 allowed modification of the City's procurement rules,
5 enabling agencies to fast track purchases of goods or
6 services necessary to combat the crisis. This
7 allowed us to acquire life-saving equipment at the
8 scale and urgency we needed. We maintained a high
9 degree of integrity in the process on behalf of the
10 taxpayer during a difficult period. As is normally
11 the case, each emergency contract is processed
12 through the City's Fiscal Management System or FMS
13 and therefore made public through tools such as
14 Checkbook NYC. Multiple oversight approvals are
15 required for all emergency contracts, and to that
16 end, MOCS who is with us today, coordinated with
17 government partners, holding daily meetings with the
18 Comptroller's Office to keep them aware of upcoming
19 contracts and processing, communicating frequently
20 with City Council members who commendably did your
21 part to identify potential suppliers of PPE and
22 directed them toward our intake process, and also
23 coordinating with the State and federal government on
24 our sourcing efforts and stockpile buildup.

25

1
2 Under the emergency procurement framework, the
3 City quickly established a multi-agency operation to
4 manage the procurement of PPE from sourcing to
5 delivery and distribution. Before the onset of the
6 pandemic, our procurement teams had little experience
7 in purchasing PPE or medical equipment, which
8 typically was carried out by the city's network of
9 healthcare providers. But it soon became apparent
10 that a centralized, inter-agency team would be
11 necessary to find these goods in a destabilized
12 supply chain where our traditional suppliers were
13 completely overwhelmed.

14 Through determination and a well-organized
15 approach, this team was able to get these supplies
16 into the hands of our healthcare workers and save
17 lives. The Department of Citywide Administrative
18 Services, Mayor's Office of Contract Services, and
19 Economic Development Corporation all played major
20 roles and are here with us today. The Department of
21 Health and Mental Hygiene set out standards to guide
22 the procurement of these goods and distributed them
23 upon arrival to healthcare providers including
24 hospitals, nursing homes, congregate care settings,
25 funeral homes, primary care providers, uniformed

1
2 emergency services providers, including EMS, the
3 Office of the Chief Medical Examiner, and many
4 others.

5 The sourcing team set up a process for intaking,
6 evaluating, and prioritizing supplier offers to ramp
7 up acquisition under pressing deadlines. This team
8 evaluated nearly 5,000 supplier offers in a few
9 weeks' time, a massive effort that surfaced the most
10 credible offers with the capability to deliver a high
11 volume of priority items quickly. The offers
12 included local producers, but local production could
13 not meet the extent of the needs, and we were forced
14 to look outside the City, State, and country for PPE
15 and ventilators.

16 Additionally, we have made an effort to utilize
17 the M/WBES to the greatest extent possible as part of
18 this operation, which has included PPE purchases and
19 contracts for non-PPE response needs. At the same
20 time that we were rapidly building a high-volume
21 sourcing operation, we legally established the City
22 as an importer of record, which cut through typical
23 process barriers, and sped up the delivery of
24 essential supplies at a time when transportation
25 logistics were fraught with delays. We also

1
2 cooperated with PPE purchasing consortiums and
3 healthcare supply chain experts to build strategic
4 partnerships and add further rigor to our vendor
5 capability and risk assessments.

6 Even considering this rapid mobilization, we
7 operated in an emergency procurement context, not
8 knowing if we would have the stock on hand to keep
9 our healthcare and frontline workers safe, which
10 required a constant balancing of urgency and risk.
11 We considered a number of factors in determining
12 whether to move forward with a purchase, including
13 on-hand inventory, current and projected burn rates,
14 product price, approval of product sample, delivery
15 schedule, vendor capacity, vendor integrity, and the
16 presence of multiple vendors per category to avoid
17 single points of failure.

18 No matter where each offer came from, it was
19 evaluated against the same key criteria. Whether it
20 could reliably deliver a high volume of priority
21 items on a short timeline, at a competitive price. To
22 perform vendor background checks, we emulated the
23 responsibility determination process in an expedited
24 fashion to ensure that risk controls remained in
25 place as much as possible.

1
2 In a small number of cases of the hundreds of
3 orders that were placed, it became apparent that a
4 contracted vendor could not fulfill the obligations
5 set out in our agreement. In those cases, we
6 canceled unfulfilled orders, and in just three cases
7 we are working with the Law Department to recover
8 disbursed payments.

9 On the whole, the global transportation and
10 logistics supply chain was also severely strained by
11 the onset of the pandemic, so we have worked with
12 late-delivering vendors to ensure that the agreed-
13 upon goods make it to us, rather than moving to an
14 abrupt termination because we need those products in
15 the city.

16 City employees in many agencies stepped up to
17 this generational challenge with an extraordinary
18 degree of dedication and professionalism. City staff
19 worked countless hours, seven days a week. Several
20 lost loved ones to the pandemic and returned to work
21 shortly after to do whatever they could to minimize
22 the tragedy. We also saw a tremendous level of
23 support from nonprofits maintaining continuity of
24 essential services during difficult times, and well-

1 meaning vendors who worked diligently to supply the
2 City with PPE on condensed timelines.

3
4 EDC consulted with local partners in adjacent
5 industries for example, life sciences, fashion and
6 advanced manufacturing, to assist with the production
7 of PPE and set up new sites for hospital bedding and
8 food distribution. EDC also collaborated with local
9 researchers and engineers to design a new model of
10 ventilators, known as bridge ventilators, to meet the
11 City's needs.

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

19 The City worked with corporate partners such as
20 Apple, Facebook, Peloton, Louis Vuitton and others
21 who were able to donate large amounts of PPE to the
22 City. Private partners were incredibly creative in
23 how they repurposed their own stocks of PPE to donate
24 to the City. For example, the Met Museum donated the
25 PPE it uses for art restoration, and Anheuser-Busch

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2 redirected its distillery production from beer to
3 hand sanitizer. All donated PPE went through the
4 same rigorous quality assurance and distribution
5 process as other acquired PPE.

6 This sourcing effort required a similarly massive
7 and yet detail oriented approach on the back end for
8 storage and distribution. The Health Department,
9 DOHMH monitored inventories at each hospital to make
10 sure distribution matches localized needs, and we owe
11 thanks to the major hospitals emergency managers and
12 our partner, the Greater New York Hospital
13 Association for their profound cooperation.

14 DOHMH also provided evaluation capacity for
15 samples delivered by vendors to ensure that the
16 products being delivered to the City met our
17 hospitals standards. This well-organized back end
18 processing cycled back into the front end of our
19 sourcing process by giving us a more detailed picture
20 of week-to-week burn rates and needs, market feedback
21 and ways of improving the delivery process.

22 Understanding that the pandemic hit our low-
23 income and communities of color the hardest, our
24 crisis response and subsequent recovery efforts have
25 paid special attention to these disparities and the

1
2 longstanding inequities that COVID-19 have
3 exacerbated. Healthcare providers in these
4 communities were a high priority recipient of PPE
5 during the emergency and recovery phases of our COVID
6 response. NYCHA has facilitated free testing, PPE
7 distribution, and meal deliveries for its residents
8 and we have worked to ensure widespread testing is
9 available in communities of need.

10 DDC is working with Health + Hospitals to create
11 3 post-COVID ambulatory Centers of Excellence in
12 underserved communities in the Bronx, Queens and
13 Brooklyn. The City has assembled a Racial Equity and
14 Inclusion Taskforce to identify specific short and
15 long-term policy options to put racial equity at the
16 center of the City's response, in areas ranging from
17 food access and insecurity to housing and criminal
18 justice.

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

1
2 Now I want to talk about the creation of the
3 City's Stockpile in the summer and fall and ongoing.
4 Following the Spring peak, we have used the time we
5 had to prepare for any future resurgence. At the
6 Mayor's direction, we established a Medical PPE
7 Service Center that could supply the New York City
8 healthcare sector with peak volumes of PPE from the
9 Spring for a full 90 days and meet any ventilation
10 needs that we might have across the City's hospital
11 system.

12 In consultation with DOHMH, we set target
13 stockpile figures based on peak daily burn rates
14 across the full set of PPE categories used to treat
15 COVID-19 in medical settings. We are stockpiling a
16 dozen categories of critical items in addition to
17 ventilators including the following, what we call the
18 big 6, major categories. 13.5 million N95 masks, 37
19 million Level 3 isolation gowns, 54 million 3-ply
20 surgical masks, 185 million nitrile gloves, 900,000
21 goggles, and 6 million face shields.

22 I am pleased to report that we are well on our
23 way to reaching and in most cases exceeding these 90-
24 day stockpile goals in the next few weeks. We have
25 also coordinated with the Governor's Office and State

1
2 Department of Health, who have recently required that
3 hospitals and nursing homes maintain a 90 and 60-day
4 supply of PPE respectively, and these providers
5 report that they are at or well on their way to these
6 targets themselves, giving us even more confidence
7 that the City is prepared for any future resurgence.

8 We are building up our City-owned ventilator
9 fleet, which in combination with resources at
10 hospitals and ongoing support from the Strategic
11 National Stockpile would enable us to ventilate over
12 8,500 patients at one time in New York City. The
13 Service Center is hosted at a secure location, with
14 the stockpile exclusively controlled by the City of
15 New York. We have now established accounts and
16 trained over 1,000 healthcare providers in a secure
17 ordering system that can fulfill any PPE order within
18 one business day, provided we get that order by 10:30
19 a.m.

20 While we are confident that we have more than
21 enough PPE for a future resurgence, we have worked
22 with the Health Department to set allocations for
23 each and every provider in the city based on usage
24 data from the Spring peak and scientific modeling,
25 making sure that providers servicing vulnerable

1
2 populations and neighborhoods in need are
3 prioritized.

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

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

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

1
2 phase, we have also expanded the capabilities of this
3 operation. We have moved beyond only supplying
4 healthcare providers with PPE to becoming more of a
5 citywide hub.

6 For example, in June and July, we supplied 7
7 million cloth masks to nonprofit service providers
8 and their clients. From a budgetary standpoint, our
9 partners at the Office of Management and Budget
10 implemented a new set of fiscal code structures in
11 the early part of March to track COVID-related
12 expenditures and set us up for reimbursement later.
13 OMB and several other agencies are currently engaged
14 in identifying grants and opportunities for
15 reimbursement from federal and state agencies. This
16 project will likely extend over the course of several
17 years and we will be happy of course, to keep the
18 Committees apprised on the status of reimbursements.

19 So, then turning to the Bill being considered in
20 this hearing, Intro. 1980 shares the goals of shares
21 the goals of many of the efforts that we took during
22 the height of the crisis to gain assurance of vendor
23 responsibility and promote transparency for our
24 emergency spending. As I mentioned, we publicly
25 disclosed all of the standard information on each

1
2 emergency contract that would be made available for
3 normal procurements, which includes a number of the
4 data fields identified in this Bill.

5 We drew upon the expertise of the Department of
6 Investigation to supplement our existing vendor
7 background check process and collaborated with law
8 enforcement agencies throughout the crisis period.
9 We also kept the Comptroller's office notified each
10 step of the way for emergency contracts the City
11 authorized, and their office continues to audit
12 contract packages upon request. Several aspects of
13 the Bill would be difficult to operationalize. As I
14 mentioned previously, delivery timelines have been
15 less reliable than standard procurement due to the
16 strain on global transportation logistics that the
17 COVID crisis brought. Likewise, vendors are unlikely
18 to provide the City with accurate information about
19 their on-hand inventory, which could complicate their
20 bargaining position.

21 Finally, the City's tight budget constraints
22 would make it difficult to add new positions with
23 potentially new skill sets. We are interested in
24 working with Council to gain a better understanding
25 of the intent of this Bill. While much of the PPE

1
2 stockpile has already been secured, we are always
3 looking at new ways to add further rigor to our PPE
4 procurement process.

5 So, in closing, I want to thank everyone from
6 every sector who stepped up to help us get through
7 this difficult period. The health and human services
8 providers who rapidly adapted their efforts to the
9 new socially distanced environment, the industry and
10 production groups who stepped up to provide us with
11 PPE or lent us their knowledge of the market and
12 staff across the City who worked with tireless
13 dedication to save lives.

14 We are extremely proud of this team, and through
15 their diligence we are well-positioned to deal with
16 the possibility of a resurgence. Thank you for giving
17 us the opportunity to testify on this important
18 effort and I will now pass it over to Commissioner
19 Garnett to discuss the Bill being considered in this
20 hearing before we take any questions you may have.

21 COMMITTEE COUNSEL: Thank you Deputy Commissioner
22 Torres-Springer. Commissioner Garnett, you may begin
23 your testimony.

24 MARGARET GARNETT: Thank you, can everyone hear
25 me?

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COMMITTEE COUNSEL: Yes.

MARGARET GARNETT: Good morning Chairs Kallos, Cabrera, and Vallone, 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. It's nice to be back in the Council again. It is my first time back since the pandemic.

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 has been in this crisis, what

1 we have been doing as part of our anti-corruption
2 mandate as it relates to COVID-19 contracts and the
3 reasons why I believe the current Bill is not the
4 best way to address what I think are the Council's
5 policy goals in this area. I will also describe a
6 potential option that has worked effectively in the
7 past to manage oversight and auditing of crisis
8 initiatives and projects in the City.
9

10 Although I oppose the proposed Bill in its
11 current form, I commend these Committees for raising
12 important concerns about accountability and integrity
13 when the City is spending billions of dollars under
14 emergency powers during a crisis, without the usual
15 scrutiny provided by the City Comptroller and other
16 oversight agencies.

17 To be clear, my opposition is not to the need for
18 such action in some form, but rather to the structure
19 and allocation of responsibilities proposed in the
20 Bill, which I believe are not the best use of City
21 personnel or City funds. During a fiscal crisis for
22 the City, it is more important than ever that
23 beneficial oversight be conducted in a way that
24 avoids unnecessary duplication of effort and deploys
25 our scarce resources efficiently and effectively.

1
2 I would like to begin by outlining for the
3 Council what DOI's role is in contracting, both
4 emergency and non-emergency and what we have been
5 doing to date to provide some oversight over the
6 City's COVID-19 spending within the current structure
7 and mandate of DOI. By way of background, in the
8 standard vendor contracting process, the Procurement
9 Policy Board rules reinforce integrity and fairness
10 in the City's contracting process. PPB rules call
11 for the involvement of multiple agencies and checks,
12 many of which are captured in the City's primary
13 contract and procurement system, known as PASSPORT.
14 DOI has only one discrete role in this normal
15 process, and that is to provide information related
16 to Vendor Name Checks of the vendor and its
17 principals for contractors that meet the PASSPORT
18 disclosure threshold, which is currently \$250,000 or
19 more, whether on one a single contract or over a 12
20 month period of multiple contracts.

21 This is a not a full background check, nor is it
22 a responsibility determination. DOI's role in the
23 contracting process is very limited. We check our
24 own internal databases and then relay to the
25 contracting agency whether DOI has previously

1 investigated a vendor or its principals and had
2 substantiated findings from those investigations. The
3 information DOI provides is only one small part of
4 the vetting process. City agencies are expected to
5 go through their own series of checks and ultimately
6 make their own determination as to whether a vendor
7 is responsible and whether a contract should be
8 awarded.

9
10 Other agencies, such as the Mayor's Office of
11 Contract Services and the Comptroller also play very
12 important roles and provide crucial oversight in this
13 area. DOI is one resource for City agencies during
14 this process, but we do not parse through individual
15 contracts or bidding processes. We do not
16 continuously evaluate the breadth of the City's
17 contracts or procurement practices for integrity
18 deficiencies. That is not DOI's role, and it never
19 has been. As this Council knows, during the early
20 weeks of the pandemic, there was a desperate need for
21 Personal Protective Equipment and other items related
22 to COVID-19 response, including everything from
23 ventilators and vital medication to large amounts of
24 computing equipment that enabled City employees for
25 the first time to do their jobs from home.

1
2 This need was not unique to New York City. In
3 particular, the procurement process for PPE became a
4 chaotic seller's market, as Commissioner Torres-
5 Springer has described. With decisions about whether
6 to purchase PPE necessitating swift action so a
7 vendor did not sell its equipment or supplies
8 elsewhere. Because of the heightened emergency, the
9 City suspended its regular procurement process
10 through emergency executive order, so it could
11 navigate this critical situation more nimbly.

12 Although the PPB rules contain emergency
13 provisions meant to expedite the procurement process
14 in an emergency, the executive order did not invoke
15 that process but simply eliminated the role of
16 several agencies, including the City Comptroller,
17 which normally has a robust oversight role in the
18 City's procurement process, and DOI, which has a much
19 more limited role in vendor review for larger
20 contracts as I have described.

21 However, DOI understood the value of even our
22 limited role in the contracting process. As a
23 result, after the Mayor issued Executive Order 101,
24 suspending the regular procurement rules, DOI
25 proactively reached out to City agency contracting

1 officers and to MOCS. For agency contracting
2 officers, we offered to do our usual vendor name
3 checks for them, even though they were not required
4 by the EO, and assured agencies of our ability to do
5 them on an expedited basis for emergency contracts.
6

7 To date, we have provided that service for
8 approximately 120 vendors for potential contracts
9 that fell within the EO. In addition, DOI asked MOCS
10 to provide DOI with a rolling list of contracts
11 related to COVID-19 response. MOCS began providing
12 us that list in April and has sent us regular updates
13 when we have requested. Internally, we then provide
14 those lists to the relevant agencies Inspectors
15 General within DOI for them to review as they deem
16 appropriate. Each Inspector General geared their
17 reviews to the specific needs of the agencies they
18 oversee and the information provided to them by MOCS.
19 Taking a range of actions, from discussing the
20 emergency contracts with their agency, to checking
21 vendors through a matrix of databases that we have
22 at DOI or investigating whether certain purchases
23 were made and if they comported with the intended
24 purpose of the contract. Emergency procurements and
25 suspension of the normal safeguards provided by

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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. And some of these issues have already been addressed by Mr. Torres-Springer. At DOI 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 in a crisis. DOI has also been active in targeting this risk category, and we have multiple ongoing investigations in this area that I cannot discuss publicly.

1
2 One matter that has already been announced was
3 the federal arrest of a New Jersey man attempting to
4 deceive and price gouge the City into paying him and
5 his co-conspirators approximately \$45 million for
6 personal protective equipment he was not authorized
7 to sell and could not deliver. DOI partnered in this
8 matter with the United States Attorney's Office for
9 the Southern District of New York.

10 Notably, that case began with one of this City's
11 best defenses when it comes to ensuring integrity in
12 contracting. Astute and proactive procurement
13 specialists who implicitly understand the complex,
14 exacting details of contracting and related pricing,
15 and questioned them.

16 In this case, procurement specialists at the
17 Department of Citywide Administrative Services
18 questioned the astronomical price, and then other
19 City officials reached out to the manufacturer, which
20 led to our criminal investigation. Finally, even
21 where we have active and ongoing investigations, we
22 have endeavored to give real-time feedback to
23 agencies on their vulnerabilities and potential ways
24 to address them, to try to stem any ongoing losses to
25 the City.

1
2 DOI is primarily an investigative agency, albeit
3 one with a very broad mandate. We are able to
4 investigate any issue of corruption, fraud,
5 malfeasance, and other related wrongdoing that
6 involves the City. However, the breadth of that
7 mandate means that we must be strategic and focused
8 on how we use our resources, otherwise DOI risks
9 diminishing its ability to make an impact and broadly
10 combat corruption, fraud and waste.

11 In the area of unprecedented emergency
12 contracting, we have tried to use our resources and
13 expertise effectively, without draining resources
14 away from our many ongoing investigations into other
15 types of corruption and fraud throughout City
16 government.

17 I will turn now to outlining DOI's concerns with
18 certain elements of the proposed Bill. The
19 legislation has the admirable goal of ensuring
20 integrity in the City contracting process during a
21 crisis situation, protecting the taxpayer dollars
22 used to pay vendors, and providing public
23 transparency. DOI supports all of these important
24 anticorruption principles, and I commend the drafters
25

1
2 of this Bill for wanting to memorialize these good-
3 government efforts through legislation.

4 However, DOI has a number of objections to the
5 means by which the Bill proposes to accomplish these
6 goals. First, as to subsection B of the Bill, that
7 calls for the creation of a public database. The
8 Bill requires that DOI develop, populate, and
9 maintain an online database with information that is
10 neither gathered nor maintained by DOI. To the
11 extent the data called for by the Bill is kept at
12 all, it is kept either by MOCS or by each individual
13 contracting agency. Moreover, DOI is an investigative
14 agency. We have neither the personnel nor the
15 expertise to perform the task called for by
16 subsection B.

17 Gathering the listed information from dozens of
18 City agencies and putting it into a public database
19 created by DOI would be a herculean task for us,
20 especially given our lack of experience in this type
21 of work. Moreover, even if the resources were
22 available, completing it within 30 days would not be
23 remotely possible for DOI, given that qualified staff
24 would have to be hired or diverted from other
25 necessary tasks, the listed information would have to

1
2 be culled from all of the contracting agencies,
3 hundreds of contracts would need to be manually
4 reviewed, a database with public functionality would
5 have to be created from scratch, and staff would then
6 have to manually input that information and check it
7 for accuracy. Public databases can play an important
8 role in crowd-sourcing oversight of government
9 operations and actions.

10 In addition, this type of transparency can
11 increase public confidence in how government is run.
12 But DOI is not a manager of City information or data,
13 nor an expert in creating databases. Accordingly,
14 assigning this task to DOI would not be an efficient
15 or effective use of City resources. I would also
16 urge these Committees to assess whether this section
17 of the proposed Bill is duplicative of Local Law 76,
18 which has already been passed by the Council and goes
19 into effect on October 23rd, and also whether the
20 desired transparency is already achieved, at least in
21 part, by existing mechanisms for public disclosure
22 such as the Comptroller's CheckbookNYC database. All
23 parts of City government have an obligation to
24 conserve our resources during this challenging time
25 by avoiding waste and duplication of effort.

1
2 Turning now to subsection A of the proposed Bill,
3 which calls on DOI to create internally a Special
4 Inspector for COVID-related contracting. I do not
5 believe that staffing this function within DOI, with
6 the tasks described in the Bill, is feasible or is
7 the best way to achieve the apparent goals of this
8 legislation. As I have noted earlier in my
9 testimony, DOI's role is as an investigative agency
10 with a mandate to root out corruption, fraud and
11 wrongdoing. It is not structured or adequately
12 staffed to be an agency that parses through and
13 reviews each and every COVID-related contract in the
14 City, both looking back to April and forward, as the
15 City continues to grapple with the pandemic.

16 The continuous evaluation of contracts for
17 monitoring and integrity deficiencies should be tasks
18 of the contracting agency, which are awarding and
19 managing the contract on a daily basis. During
20 normal contracting processes, a very important role
21 is also played by the Comptroller, which has an
22 extensive contract approval staff and audit staff
23 focused on, and highly knowledgeable about, the
24 City's procurement and contracting. When serious
25 discrepancies are found, or when suspicious activity

1 is identified, they should be reported immediately to
2 DOI and we step in at that point to investigate
3 potential violations of criminal law or the City's
4 conflicts of interest rules. We regularly receive
5 and thoroughly investigate such referrals from the
6 Comptroller, from agency contracting officers,
7 directly from MOCS, as well as from tips that come
8 into our complaint lines from a variety of sources.

9
10 Becoming a de facto double-check agency for all
11 City contracts is not the best or most effective use
12 of our expertise and staff. This is particularly
13 true because the City is already paying for this very
14 service to be provided by the skilled and experienced
15 personnel at the Comptroller's Office, who are
16 constrained currently only because of the current
17 emergency executive order.

18 Restoring the contract registration and
19 independent oversight role of the Comptroller would
20 accomplish all of the forward-looking goals of this
21 Bill. Most significantly, requiring DOI to duplicate
22 a task better performed by the Comptroller would
23 limit our ability to conduct the breadth of anti-
24 corruption work that we do across all City agencies,
25 and to do the type of in-depth investigations that

1
2 DOI has become known for, all of which are focused on
3 deterring corruption and holding wrongdoers
4 accountable.

5 The resources needed to establish a Special
6 Inspector office as described in the Bill would be
7 significant, and to do the kind of daily work
8 outlined in the Bill would take hiring a Special
9 Inspector, and a minimum of six specialized staff
10 with audit or procurement expertise. This does not
11 include the staff that would be needed to develop,
12 populate, and maintain the online database described
13 in subsection B. This cannot be achieved effectively
14 through redeployment of DOI investigators from other
15 units, and certainly cannot be achieved without
16 significantly taxing DOI's current, critical
17 operations and investigations, which are already
18 strained by staffing reductions due to the hiring
19 freeze of the last seven months.

20 Specifically, DOI has lost 36 staff due to
21 attrition since January, including five data
22 analysts, in addition to our normal stock of existing
23 vacancies going into the calendar year. Due to the
24 hiring freeze and fiscal crisis, we have been
25 permitted to hire only one person since April.

1
2 While I believe creating a Special Inspector unit
3 to review contracts is misplaced within the structure
4 of DOI, I also understand the Council's desire to
5 keep a close eye on emergency contracting and for
6 greater visibility into these expenditures of City
7 and federal money. To that end, a better option
8 would be for the City to consider meeting that need
9 through an outside Integrity Monitor that reports to
10 DOI, a strategy that has been used numerous times
11 during prior crises in this City that have called for
12 large-scale contracting endeavors, for example the
13 Ground Zero clean-up and the multiple rebuilding
14 efforts in the wake of Hurricane Sandy, among other
15 extensive projects.

16 Hiring an outside Integrity Monitor for a
17 specific and specialized short-term task is ideal for
18 a variety of reasons. Our experience in this area
19 has shown that outside Integrity Monitor firms are
20 able to gear up and deploy highly specialized staff
21 quickly to perform the kind of work that is set out
22 in this Bill, faster and often for less money than
23 could be accomplished by staffing a new unit within
24 DOI.

1
2 With a few experienced staff members, DOI can
3 effectively supervise the work of these Monitors, who
4 regularly report to DOI, particularly regarding any
5 findings of wrongdoing or potential criminal conduct.

6 A Monitor could, for example, audit a selection of
7 the contracts entered into during the emergency
8 period, with integrity and best practices in mind.

9 On larger or ongoing contracts, a Monitor can assist
10 in ensuring that vendors are complying with City
11 rules and providing the promised goods or services.

12 This option would allow DOI to act as it is mandated
13 to do, as an investigative agency working with other
14 investigators to find patterns of fraud and wrong
15 doing. Working with prosecutors when laws have been
16 violated and issuing necessary recommendations within
17 the City to tighten internal controls and improve
18 practices.

19 In contrast, as I have outlined already, DOI does
20 not have the staff, nor is it currently set up do
21 what the Bill would call for us to do.

22 CHAIRPERSON VALLONE: Commissioner, we have been
23 here for moment. Because we have multiple agencies
24 and three committees, if we could, we have your
25 testimony. If we could get to your summary, so that

1 we could start getting into the other. We appreciate
2 it.
3

4 MARGARET GARNETT: Sure.

5 CHAIRPERSON VALLONE: Thanks.

6 MARGARET GARNETT: Sure. I just want to close by
7 saying that an Integrity Monitor would still require
8 expenditure of new funds at a time when the City
9 faces severe fiscal constraints. There are potential
10 funding sources that could pay for this including
11 from federal money.

12 I believe this alternative would accomplish the
13 retrospective over cycles of the Bill for less money
14 and with diverting DOI's already strained resources.

15 As to the prospective goals, I believe restoring
16 the independent oversight role of the Comptroller is
17 a better pairing of problem with existing expertise
18 than requiring DOI to duplicate this function.

19 Finally, the contracting database requirement of
20 the Bill, if it is needed at all in light of Local
21 Law 76 and existing portals like CheckbookNYC,
22 likewise should be performed by an agency with
23 control over the data and expertise in database
24 creation and management, none of which is currently
25 possessed by DOI. I thank the Committees for

1
2 allowing DOI to share its significant concerns about
3 this Bill and our suggestions that I believe will
4 help the City achieve many of the same goals. I am
5 happy to answer any of your questions.

6 COMMITTEE COUNSEL: Thank You Commissioner
7 Garnett. I will now turn it over to questions from
8 the Chairs.

9 Panelists from the Administration, please stay
10 unmuted if possible during this question and answer
11 period and a reminder to Chairs Kallos, Vallone and
12 Cabrera, that you will be controlled on muting and
13 unmuting yourselves during this question and answer
14 period. Thank you, Chair Kallos, you may begin.

15 CHAIRPERSON KALLOS: I am going to defer to my
16 fellow Chairs, but before I do I want to recognize
17 that we were joined by Council Member Cornegy. So,
18 over to my Co-Chair Paul Vallone.

19 CHAIRPERSON VALLONE: Thank you Chair Kallos and
20 I don't know if our Committee Counsel wants to give
21 the Council Members that power to mute and unmute.
22 It is sort of a dangerous power you are giving over
23 to us. You may rethink that option before we take
24 over, it is going to be scary.

1
2 Alright, so, just a little bit of background, we
3 have been having, the Council, having a series of
4 hearings over the last six months, so we all try to
5 get a handle on what we all went through and what we
6 are still going through.

7 So, this is the first time and I am very
8 appreciative to Chair Kallos and Chair Cabrera to
9 join forces to kind of hear from an interagency
10 perspective because whether it is this Bill or it is
11 talked about, there is clearly a need to do things
12 better and that's what we are trying to learn, that's
13 what we have gleamed from EDC and I know Lindsay is
14 here today on that contracting process. So, we will
15 just kind of touch that a little bit but where I get
16 concerned or where my anger comes in is when I hear
17 that we are fine and we don't need to make changes.
18 And that last testimony basically just told me that
19 during an emergency period, we don't need to shift
20 resources to handle that because we have too much to
21 do.

22 That is not what we want to give a message out to
23 the city or hear as Council Members. So, I want to
24 give our DOI Commissioner a chance to address that.
25 Your exact testimony was, during emergency

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2 contracting and times here, that the resources, if we
3 were to take resources away from our other mandates,
4 we would not be able to do what we are mandated to
5 do.

6 That is not what I want to hear. What we want to
7 hear is that during an emergency situation, we
8 obviously, that's why it is an emergency, shift
9 resources from other investigations that are not at
10 the level of an emergency situation and then we all
11 come together to address this emergency, so that we
12 can quickly get out of the situation we are in, learn
13 from it like today and then move forward and not just
14 sit back and say, we had a lot to do.

15 So, can you kindly rephrase that or kind of help
16 me through why that testimony was given?

17 I think I have to unmute you, so here we go.

18 MARGARET GARNETT: Okay, so, you know, I would
19 like to clarify that during the course of the
20 emergency, DOI did shift resources and responded very
21 quickly as a need for our role arose. You know, just
22 to give one example of the already announced criminal
23 case that I mentioned involving the attempted theft
24 of \$45 million from the city, DOI, together with our
25 partners at the U.S. Attorney's Office moved

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2 extremely quickly in that matter executing search
3 warrants, conducting interviews, moving to charge and
4 arrest and stop that attempted theft very quickly.

5 So, my concern here is not about DOI's ability in
6 the course of an emergency to respond doing what we
7 do best in the course of an emergency. It is rather
8 that what the Bill is calling for is a tremendous use
9 of resources now directed towards things that I don't
10 believe would -

11 CHAIRPERSON VALLONE: Well, you made that quite
12 clear, that you don't believe and the Bill was just
13 one aspect of today's hearing. We are hearing for
14 the first time a lot of agencies responses to the
15 emergency and how that handled lessons learned, what
16 we did and how we can make that better. That's where
17 all Bills come from. The genesis of the Bill is to
18 how we can make things better, not to just create
19 another way or a bureaucracy that no one wants. I
20 don't even know where I am on the Bill, but I always
21 know that an issue that comes up in every hearing, is
22 we could always do better with interagency
23 cooperation in handling anything. Whether it is
24 DFTA, whether it is [INAUDIBLE 33:06], whether it is
25 the Police Department. We always have to have the

1
2 synchronicity between agencies. Clearly, when we
3 hear from the other Commissioners today, there was a
4 complete unprecedented demand and what we learned
5 from the prior testimony is that the private sector
6 could not do what they normally could do and that's
7 what Jamie said and that's what came in and that's
8 why the agencies had to find a way now to work with
9 local producers to fill that need. Because the
10 hospitals are overwhelmed and the Health & Hospital
11 Corporations could not handle that.

12 So, now all of a sudden agencies had to figure
13 out a way to handle something they hadn't done
14 before. My question to you is in that emergency
15 situation, should we not – what have we learned that
16 we could handle better if we have a second wave come
17 up? Through your Department, how can we shift since
18 you can handle it on your own and don't need this
19 Bill, what is your vision to now reshift from what
20 was done before to do it better for what may come in
21 the future?

22 MARGARET GARNETT: Well look, I do think that
23 when it comes to DOI's role in the contracting, that
24 we were able to respond, the emergency, as I said
25 even though our vendor name check services were no

1
2 longer required by the executive order. We responded
3 very quickly to ensure that we could provide that
4 service to agencies that wanted it, even though it
5 wasn't required and to proactively make sure that we
6 were providing that at an even more expedited level
7 than we normally would.

8 CHAIRPERSON VALLONE: But wouldn't that require
9 you to pull some additional resources to handle that
10 brand new emergency? I mean, all I am looking for is

11 -

12 MARGARET GARNETT: Yes, and I as I said -

13 CHAIRPERSON VALLONE: No, actually you said that
14 you didn't. So, what we are trying to find out is
15 are you willing to shift resources to handle the next
16 demand?

17 MARGARET GARNETT: I think you misunderstood my
18 testimony respectfully. We did shift resources to
19 respond to the emergency contracting needs and to
20 assist in any way that we could. My objection is to
21 additional resources mandated by this Bill, which I
22 don't believe would serve the goals of the Council.
23 But DOI has and will continue to make its resources
24 available to respond to the unprecedented emergency
25 whether it is a role in contracting and doing vendor

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2 name check services or our role responding very
3 quickly to investigate potential wrongdoing.

4 CHAIRPERSON VALLONE: So, there are so many
5 things today. I didn't even plan on going down that
6 route but the lawyer side of me is when I hear
7 testimony, I have to respond to it. So, you are
8 staying with your position and that's fine but all
9 that does is unite the Council Members to make sure
10 the vote is passed very quickly.

11 Now, with DCAS and the contracting side of it,
12 you know, I have heard from EDC in the past, is to
13 the emergency and how agencies had to form new
14 identities to get through this. What we didn't hear
15 is the DCAS version of the contract and with MOCS to.
16 The ability appropriate new contracts and how that
17 demand now coming forward with November around the
18 corner and winter and we see some spots throughout
19 the city spiking some areas through obviously you
20 know, someone like a family like ours that went
21 through this virus and there is a nervousness coming.
22 So, we want to hear, what were the lessons that were
23 learned from that that now we can handle what is
24 coming and hopefully it doesn't. But obviously,

1
2 there is going to be spikes in some ways and we are
3 seeing that.

4 So, were some of those contractual lessons that
5 were learned that we can quickly respond and I know
6 mentioned about the stockpiles are at a much better
7 place and that gives us all and you gave us some
8 numbers. You may want to go over that again. And
9 the other issue that came up in prep with the other
10 Chairs was, where are we putting all this stuff and
11 do we have the ability to stockpile it safely so that
12 we can to where we need. Help me out Alex.

13 COMMITTEE COUNSEL: I have got everybody unmuted
14 from the Administration.

15 JAMIE TORRES-SPRINGER: Great, thanks Council
16 Member for those questions and I will get started and
17 see if my colleagues want to make some comments. I
18 think that the jest of what we are communicating
19 today is that the major lesson we learned is that we
20 have to be ready to provide healthcare workers and
21 others working in medical settings with PPE, in
22 accordance with a potential surge and having learned
23 that lesson, you know, we set out to have this
24 stockpile in hand.

1
2 So, when you take the combination of the
3 hospitals having reporting that they are in
4 compliance with the state executive order and have
5 90-days or more of PPE and us having a dedicated 90-
6 day stockpile, we feel very confident that we are
7 going to be able to address any potential surge but
8 we also, what we've described in our testimony is we
9 have also put the capacity in place to be able to
10 contract quickly within this emergency if we find
11 that we are running low and we need more and we do
12 have really an international network, the importer of
13 record status that really allows us to be the
14 priority recipient of this PPE through contracts
15 around the world.

16 So, we are very comfortable with the position
17 that we are in. The stockpile is in a secure
18 location. It is in a place where, as I mentioned, if
19 we have an order that comes in before 10:30 in the
20 morning, we will fulfill that order within one
21 business day.

22 CHAIRPERSON VALLONE: Is that stockpile
23 consistent from whether it is Health & Hospitals,
24 private hospitals, nursing homes, are we all on the
25

1 same level of comfort or what do we have to work with
2
3 - with that?

4 JAMIE TORRES-SPRINGER: We have worked with all
5 of those providers over the last few months, starting
6 with looking at what they have burned, their burn
7 rate of PPE really in April, in the peak, which was
8 the starting point for having the stockpile we
9 needed. And then we have layers and layers of
10 relationships and interactions particularly through
11 the Health Department which you know, David Starr may
12 have some additional comments he wants to make but
13 where we are working with the Greater New York
14 Hospital Association interacting regularly with
15 managed care providers. We have a number of
16 different channels. We talk to the nursing homes,
17 you know obviously congregate care settings are
18 regulated by city agencies and so, we talked with all
19 of them and we are very comfortable that we are able
20 to supply all of their peaks based on that April
21 peak.

22 CHAIRPERSON VALLONE: Is there a shift from
23 demand from whether it is PPE provisions to testing
24 and being able to whenever there is a vaccine and
25 being able to as in the Governor is releasing the

COMMITTEE ON CONTRACTS JOINT WITH COMMITTEE ON
GOVERNMENTAL OPERATIONS AND THE COMMITTEE ON
ECONOMIC DEVELOPMENT

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2 concern of how that overwhelming demand is going to
3 be to get through the city. Are we going to be able
4 to shift to meet that new need?

5 JAMIE TORRES-SPRINGER: Yeah, I think so. I
6 mean, testing has gone very well. We have testing
7 set up all over the city and we've got sufficient
8 kits for testing. Maybe I will ask Dave to comment
9 on the efforts to stand up and be ready for a max
10 vaccination in the city. David, do you want to say
11 something about that?

12 CHAIRPERSON VALLONE: And then the last question
13 for me, so while you are discussing that one and then
14 we will turn it over to both Chairs, is the EDC and
15 incorporation into this process, right? Obviously,
16 EDC is a nonprofit stepped in to do contracting and
17 help but how is that relationship with your agency
18 and EDC, I know Lindsay is here. How is that going
19 to continue since we have added some unique
20 contracting during this crisis. Will EDC still be
21 continuing their role in procuring and working with
22 new manufacturers and producing of the equipment?
23 Will agencies or the hospitals shift back? How do
24 you envision what we went through versus where we are
25 today with EDC's role? And Lindsay, you can jump in

1
2 with that to and then I will turn it over to the
3 Chairs and then we have our Council Members waiting
4 to.

5 LINDSAY CLINTON: Oh, you are on mute.

6 CHAIRPERSON VALLONE: Okay.

7 JAMIE TORRES-SPRINGER: Great, maybe I will try
8 and stay unmuted just because I am trying to direct
9 some traffic here with some questions. Dave, can you
10 speak to the preparedness for the vaccination effort
11 and then over to Lindsay at EDC?

12 DAVE STARR: Sure, can you hear me? I wasn't
13 allowed to unmute myself earlier, sorry. Regarding
14 the vaccine, we've been told by the federal
15 government at this point that any vaccine that
16 arrives, will arrive with PPE sufficient to support
17 the vaccination efforts.

18 CHAIRPERSON VALLONE: So, that distribution and
19 the allocation of the - I know that's going to be a
20 whole separate hearing but just -

21 DAVID STARR: Yeah, that's a -

22 CHAIRPERSON VALLONE: Well, if you can just give
23 us a preliminary forecast of how you envision that is
24 going to happen because obviously we went through
25 just getting tested for COVID-19 and that was a

1 battle into itself to find a place to do it, so we
2 don't want to make sure that happens again.

3
4 DAVID STARR: Right, well unfortunately this is a
5 federally driven operation and we are - and there are
6 multiple vaccine candidates in phase three trials
7 now. We get different information almost weekly
8 about what may be available and how it should be
9 allocated.

10 The Mayor described the process that we are
11 actively working with our state and federal partners
12 to figure out exactly how this is going to work but
13 there will be sort of a phase roll out depending upon
14 availability of what type of vaccine and how much is
15 available. First, the phase one distribution will
16 provide, you know when we have a limited number of
17 doses available to us, it will be primarily reserved
18 for the health care system and health care personal,
19 frontline workers and other vulnerable populations.
20 And then a phase two distribution which could occur
21 as early as January, February. We will see more
22 widespread availability and the current planning
23 really relies - New York City has a very robust
24 vaccine distribution infrastructure on a daily basis,
25 so that's really the backbone - that will be the

1 backbone of our operations. But I think before
2 anything, we should all go get our flu shots and I
3 hope everyone participating in this has done so. I
4 don't have mine but I got it Monday.

6 CHAIRPERSON VALLONE: Perfect, that's a whole
7 separate set of questions. Lindsay if you can just,
8 with EDC on how you were there at the beginning
9 versus where we are today and how that contracting
10 manufacturing process will work with our sister
11 agencies through the coming - if it comes or on but
12 if you can expand on it.

13 LINDSAY CLINTON: Sure, thank you Council Member
14 Vallone. So, from the beginning of the pandemic, EDC
15 coordinated extremely closely with our partners at
16 other agencies. I can distinctly remember the first
17 call that we were on together back in the third week
18 of March where we spoke with DCAS and DOHMH about
19 exactly what they needed and we talked about what we
20 felt could be produced locally, because traditional
21 global supply chains were not able to deliver in that
22 time.

23 And ever since that first call that we had, we
24 have connected multiple times a week and then at some
25 point during the summer we ended up scheduling a

1
2 weekly call where we had the head of MOCS, the head
3 of DCAs, many people from the EDC team as well as
4 many others from City Hall to coordinate on what we
5 should be locally manufacturing versus what was
6 already covered by "traditional supply chain
7 avenues."

8 Since then, we have been working to capture
9 everything that happened in case studies and kind of
10 capturing the process that we went through. So, that
11 any future contracting or any team members that come
12 after us in future crisis or even in a second or
13 third wave will be prepared and that includes
14 capturing the specks of the things that we made. You
15 know, EDC working with local producers was able to
16 produce 8.4 million face shields, 4.2 million
17 hospital gowns, 1 million testing kits and 3,000
18 bridge ventilators. We want to make sure that the
19 specks for all of those goods are captured as well,
20 so that anyone who needs to make them in the future,
21 God forbid, is able to do so in a very efficient
22 manner.

23 I would add that our efforts now are also more
24 strategic as well and not just tactical. We are
25 having conversations with incredibly innovative local

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2 manufacturing partners about what it might look like
3 to create a medical grade manufacturing facility.
4 What are the items that are in demand that would make
5 sense for them to produce into the future and then,
6 as the testimony reflected, there are some producers
7 who continue to set their sites on serving other
8 municipalities or providing smaller private companies
9 with PPE and so, and then also applying for federal
10 contracts.

11 So, we could have the beginning of a new industry
12 in New York City, we will see what happens there.

13 CHAIRPERSON VALLONE: Thank you and I will turn
14 it over to Chair Ben Kallos and Fernando Cabrera and
15 then I will come back for just to follow up – finish
16 with some EDC questions. Thank you guys.

17 CHAIRPERSON KALLOS: Chair Cabrera?

18 CHAIRPERSON CABRERA: Thank you so much to the
19 Co-Chairs for inviting my committee to be part of
20 today's hearing. I am going to change focus on
21 talking with DCAS. I see we have our Deputy
22 Commissioner, welcome and if you could provide me to
23 the point answer because I have several questions and
24 I just want us to be parsimonious with our time.

25 MERSIDA IBRIC: Sure.

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2 CHAIRPERSON CABRERA: I appreciate that. I will
3 be reading the questions because that is the quickest
4 way to go through this. Does DCAS have its own
5 vetting of any vendors and if so, what criteria do
6 you use to vet?

7 MERSIDA IBRIC: Yeah, absolutely. So, DCAS and
8 MOCS early on developed a, you know, sort of straight
9 forward vetting process and it is one that we use for
10 all of our vendors. It is very similar to how we vet
11 vendors on a standard procurement with of course, the
12 need for expediency. And so, it includes things like
13 background checks. It includes LexisNexis, views of
14 websites and also, we worked very closely with DOI to
15 get the NC's completed within 24 hours. And so, that
16 was also part of the vetting process.

17 CHAIRPERSON CABRERA: So, you basically have the
18 same system you had before with a section of the
19 Comptrollers and DOI's vetting. Is that pretty much
20 what we have here?

21 MERSIDA IBRIC: Well, DOI did jump into the
22 process about a month later but yeah, absolutely, we
23 tried as much as possible to stay in line with what
24 our existing process was.

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2 CHAIRPERSON CABRERA: Thank you. You know, as of
3 June 15th, DCAS have procured over \$1.2 billion worth
4 of PPE medical supplies to support the COVID-19
5 response. The list of items procured that you
6 provided to the Government Operations Committee,
7 included items that had to be delivered.

8 So, my first question here, were all items
9 eventually delivered and did DCAS procure any
10 additional items since June 15th or so? Can you list
11 the items and how much?

12 MERSIDA IBRIC: I might need to follow up on
13 providing you a list of everything that was procured
14 after June 15th, if that's okay. But generally
15 speaking, yeah. The city has received the bulk of
16 what we have paid for and the majority of what we've
17 paid for is you know, all the PPE's that we've listed
18 previously, so it is all the same stuff. It is
19 masks, it's ventilators, it's you know, gloves. It's
20 all of those items but yeah, I can follow up
21 separately afterwards with a full list.

22 CHAIRPERSON CABRERA: And just for the record,
23 after June 15th, you had additional items, right?

24 MERSIDA IBRIC: I mean, there were testing stuff
25 that came up afterwards, those aren't PPE's but yeah,

1
2 I mean, as needs continue to evolve, we quickly
3 responded to those yeah.

4 CHAIRPERSON CABRERA: Okay, great and how many
5 vendors in total did DCAS purchase PPE from and how
6 many of those vendors qualify as M/WBE's?

7 MERSIDA IBRIC: So, I don't have the exact count
8 but about 14 percent of all of our spend went to
9 M/WBE, a city certified M/WBE.

10 CHAIRPERSON CABRERA: Is that the average in a
11 normal cycle?

12 MERSIDA IBRIC: So, in our good universe, I don't
13 know how familiar you are with this but so, within
14 our goods universe, our numbers for M/WBE utilization
15 is a little different for outside goods we are
16 usually around 20 to 30 percent where they are
17 actually doing really good but goods is a harder
18 market for the M/WBE's.

19 JAMIE TORRES-SPRINGER: Council Member, if I
20 might just quickly mention, I think I mentioned this
21 in the testimony but the 14 percent, a great deal of
22 what we had to source in this case was from
23 international sources. So, you would think it would
24 be actually a much higher number when we look at just
25 domestic sources that could be city certified.

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2 CHAIRPERSON CABRERA: I appreciate that. In
3 Fiscal 2019, before COVID-19 DCAS \$41.7 billion worth
4 of contracts. The COVID-19 procurement costs were
5 unexpected in Fiscal '20 adopted budget; how much
6 room is there in this Fiscal 2021 adopted budget for
7 new COVID-19 related procurement? How much margin do
8 we have in our budget to be able to purchase more
9 items?

10 JAMIE TORRES-SPRINGER: I think we would have to
11 get an answer from OMB on that. I mean, we are
12 prepared to do what we need to do to make sure that
13 we have PPE for health care workers and for safety.

14 CHAIRPERSON CABRERA: The money is not an issue?

15 JAMIE TORRES-SPRINGER: Well, you know, we are
16 always very careful but certainly, this is you know,
17 a matter of life and death and so we are prepared to
18 do what we need to do.

19 CHAIRPERSON CABRERA: But you have the federal
20 backing right. I mean, most of the funding that was
21 supposed to matched to reimburse us, did that come
22 in?

23 JAMIE TORRES-SPRINGER: Well, I am glad to talk
24 about that for a moment Council Member. We do
25 believe the majority of spending to date will be

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2 reimbursed by FEMA. I do want to note that moving
3 forward, there are many costs that may be ineligible
4 because FEMA recently changed its policies as of
5 September 15th. So, it will only fund PPE, we think,
6 the guidance is actually still very unclear for
7 emergency medical care testing, food programs and
8 shelters. So, this is a significant issue. It does
9 put a significant amount of city expenditure at risk
10 of not being reimbursed but we do expect that all of
11 our spending before September 15th will be reimbursed
12 and we are certainly working with and advocating with
13 FEMA to try and clarify that guidance, so that we are
14 able to get reimbursed for this emergency spending.

15 CHAIRPERSON CABRERA: After September 15th, what
16 percentage do you anticipate will not be
17 reimbursable?

18 JAMIE TORRES-SPRINGER: As I said, things are
19 very unclear in terms of the guidance. There are - I
20 will say there are hundreds of millions of dollars at
21 risk of not being reimbursed if we don't get clarity
22 from FEMA.

23 CHAIRPERSON CABRERA: Wow, that's a scary -

24 JAMIE TORRES-SPRINGER: It is, it is very deeply
25 concerning for us.

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CHAIRPERSON CABRERA: In light of a Fiscal nightmare that we are facing right now. According to the Mayor's Management Report for B, DCAS states that the value of costs avoidance and fees by 183 percent when compared to fiscal 2019 due to two major rejections totaling \$3.5 million in costs avoidance for N95 masks as well as a higher prevalence of noncompliant products found by quality insurance inspectors. And here is the question, can you provide additional information regarding what the differences were between DCAS and MOCS vetting process or contract and inspections of products conducted by quality insurance inspectors?

MERSIDA IBRIC: Sure. You know, I think one of the incredible things that we do as a city is to ensure that we're not just setting the safeguards upfront in the procurement process or in the contract itself but at once we receive product, we are reviewing it to ensure that it is in line with product specifications and that it is safe to use.

And so, all of our product is inspected here once we receive it and so, what you are quoting actually the number now is 7.5 million of rejections that we have made related to things that we have bought in

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2 response to COVID and these are products that we have
3 deemed to not meet you know sort of safety needs or
4 product specifications and we rejected it and require
5 the vendors to come back with a replacement, a
6 suitable replacement.

7 CHAIRPERSON CABRERA: What was the criteria used
8 to determine whether EDC or DCAS will get a certain
9 type of procurement for example, amount of standard
10 EDC procure medical supplies. How did you determine
11 that and did that have anything to do with level of
12 efficiency, expertise, capacity?

13 MERSIDA IBRIC: So, I think it is really
14 important to note that you know, the city did not
15 take sort of like a single approach here. So, you
16 know, EDC spoke a bit about sort of you know,
17 engaging local businesses to manufacture product, you
18 know, here in United States, here in New York. But
19 we also developed a sort of diverse portfolio of
20 contracts you know, so that we didn't have a single
21 point of failure. It wasn't just what we can you
22 know, manufacture here locally. We were working with
23 businesses overseas. We were working with businesses
24 across the United States. We had several contracts
25 in place for every PPE, so that we would always have

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2 product coming in at any given time. And so, it
3 wasn't just you know, that we made a decision as to
4 what would go to EDC or what would go to DCAS. In
5 fact, we all kind of jumped in holding hands together
6 to kind of you know, work through the strategy and
7 work through sort of getting as much as we can in
8 place as quickly as we could.

9 CHAIRPERSON CABRERA: So, what I hear is that
10 everybody was pretty much, for lack of better term,
11 hustling, trying to find which open door was a
12 legitimate open door and just knocking and knocking
13 and knocking.

14 MERSIDA IBRIC: We worked hard.

15 CHAIRPERSON CABRERA: That's why I called it
16 hustling.

17 MERSIDA IBRIC: We worked really hard.

18 CHAIRPERSON CABRERA: I appreciate that.

19 DAN SYMON: Council Member, if I could add, yeah,
20 I would say that you know, in the Spring surge, first
21 I want to say that you know, only because you asked
22 about the difference between MOCS and DCAS's vetting
23 process. Mersida is 100 percent right, this is all
24 one team. You are talking to a diverse set of City
25 employees here across multiple agencies but the most

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2 heartening thing about all of this is that we came
3 together right at the very beginning. We were co-
4 located when we are still in the office, very early
5 in March and that has not changed. We have been in
6 lock step, walk at the hip and doing everything
7 together and that's been really great.

8 I will just say about you know the market at that
9 point in March and April, was that you know,
10 typically the city and its buying power provides us
11 all the leverage and we chose vendors but back then,
12 the vendors were choosing us. And so, we had to
13 explore absolutely every avenue that we could and
14 that took us to some dark places to be quite honest.
15 You know, Commissioner Garnett and DOI were there
16 also from day one in lock step and you know, there
17 was a criminal element out there. There is you know
18 a disgusting grey market of folks trying to take
19 advantage and it was incumbent upon all of us to be
20 hyper aware of those things and I just want to
21 reiterate how helpful DOI has been from the very
22 beginning and how much they jumped in to the fray
23 with all of us and get lost in the beginning. But
24 that was the state of the market in the Spring. They
25 were choosing us more than we were choosing them.

1
2 CHAIRPERSON CABRERA: I have to tell you; I
3 sympathize with every agency. I was personally
4 getting tons of calls every day. Oh, I know
5 somebody.

6 DAN SYMON: Yeah.

7 CHAIRPERSON CABRERA: You know, the oh, I know a
8 guy that in this company and we had this many. You
9 know and we were making all the referrals. You guys
10 do the vetting of course and so, I know it was almost
11 an impossible task.

12 I just got two quick questions and that is back
13 to DCAS. How many COVID related contracts did DCAS
14 cancel because the vendor failed to deliver the order
15 of supplies on time? What was the total dollar
16 amount of this contract?

17 MERSIDA IBRIC: Yeah, so we cancelled about \$520
18 million in contracts that did not result in any
19 product and it is important to note that that was at
20 no risk to us. We did not lose any money there and
21 those were all cancelled procurements.

22 CHAIRPERSON CABRERA: Wow, that's good to know,
23 that no city funding went before we got it. And the
24 last question and that is related to the Unions. Do
25 we have anything so far related to the union? What

1 kind of feedback were you getting from the unions,
2 like complaints, concerns during this process?

3
4 JAMIE TORRES-SPRINGER: I guess I will start by
5 saying we have had a really good dialogue with all
6 you know, components of the health care sector. They
7 have been very helpful in articulating what their
8 needs were. I mean, as we have said today, we know
9 conditions in the Spring were not ideal.

10 Conservation measures were required. We all saw some
11 of those images of the struggles that occurred and we
12 heard that directly from labor, certainly as well in
13 the health care field and you know, that's you know,
14 again, one of the reasons we are responding by making
15 sure that we have this very adequate stockpile of
16 PPE.

17 I might ask Dave if he has any further comments
18 just because DOHMH is our primary liaison to the
19 hospital sector. Anything else you wanted to say
20 about what we have heard from labor. You are on
21 mute.

22 DAVID STARR: There, okay, I don't have much to
23 add except for the fact that we in one instance we
24 worked with 1099 to actually distribute PPE to some
25 of their membership, so, and we got some positive

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2 feedback from that but again, just to reiterate what
3 you said, we heard, we felt the pain and we are
4 struggling. I think, all of this, this entire team
5 we are struggling with trying to accommodate during
6 the peak and it was a difficult time.

7 CHAIRPERSON CABRERA: I just want to make sure
8 that if, God forbid we have another spike, that our
9 working people in the City of New York are fully
10 protected. Did they have the equipment, that they
11 are not using masks that you know, they have to use
12 for three weeks in a row, the same mask. And masks
13 that actually work for the type of job that they are
14 doing and this, next time turn around we could
15 anticipate what it was like back in March, we were
16 caught off guard. That we would definitely be
17 prepared.

18 I want to turn it back. I want to thank you all
19 and I thank you for your answers. I want to give it
20 back to the Co-Chair Ben Kallos, I know he has
21 numerous questions to ask. Thank you.

22 CHAIRPERSON KALLOS: I want to thank my Co-Chairs
23 for their questions and I will do my best to find my
24 first round of questions to the same 20 minutes for
25 each of us.

1
2 I would like to cover emergency power, specific
3 contracts, W/WBE, local servicing and perhaps most
4 importantly understanding our stockpile and
5 distribution. So, please make your answers brief and
6 to the point.

7 I want to just go through a quick timeline for
8 folks. My Rabbi does it at services and I am sure
9 Chair Cabrera does it at his services. So, after my
10 questions which should hit us around 1:55, we will
11 hear five minutes of questions from each of the
12 Council Members Rosenthal, Barron, Gjonaj and
13 Cornegy. That will take us to about 12:15 before a
14 second round. Then we are going to hit four panels
15 of testimony we are getting after the noon hour
16 starting with labor organizations representing our
17 frontline workers and our hospitals, essential
18 workers and public schools and shelters. An M/WBE
19 supplier of PPE, doctors and members of the public.

20 I want to start with just a thank you to those at
21 EDC. When the pandemic started, my office set up a
22 clearing house for securing PPE at
23 coronavirus@benkallos.com. It is still active to
24 this day and I want to thank EDC for working with us
25 on vetting many, many, many providers.

1
2 I would like to just jump straight into the
3 emergency power. So, in August, New York City
4 Comptroller Scott Stringer sought a reinstatement of
5 his oversight power stating that in April 2020, 19
6 percent of registered COVID-19 emergency contracts
7 were for PPE, whereas in June, PPE comprised of only
8 3 percent of all these emergency contracts. Will the
9 Mayor restore oversight to the Comptroller?

10 JAMIE TORRES-SPRINGER: I will direct that to
11 Dan.

12 DAN SYMON: Thanks Council Member. I would say
13 that the Mayor has been very clear that you know, no
14 one takes any comfort from this change in the
15 procurement process. The Comptroller absolutely
16 belongs there, we want their office included through
17 the normal procurement process and when things become
18 normal again, I am certain the Mayor will make that
19 decision at the right time.

20 CHAIRPERSON KALLOS: The Comptroller has stated
21 that the Mayor is not providing contract documents to
22 him. How many COVID related emergency contracts are
23 there? How many have actually been provided to the
24 Comptroller? And when will they be provided?

1
2 DAN SYMON: Sure, absolutely, thank you. So, one
3 thing I want to say is, right at the very beginning
4 in mid-March when things blew up and the executive
5 order was issued, I set up a call, a daily call with
6 the Comptrollers office and Deputy Comptroller for
7 Contracts and throughout the Spring, we had a daily
8 9:30 a.m. meeting.

9 In the summer, we scaled it back to three days a
10 week and that remains. We have a three day a week
11 meeting with them every morning, each morning, three
12 days a week. And so, in no way are we interested in
13 giving them the Heisman around this stuff so to
14 speak.

15 And so, with that in mind, we have addressed all
16 of their issues that they have brought up throughout
17 the past seven months. They have access to all the
18 data as Jamie mentioned in his testimony. All of the
19 contract data that you would have for any contract
20 issued and executed by the City is available in the
21 city systems. There is a technical barrier to
22 actually physically moving the contract documents
23 over to them. It is very much in the weeds but a
24 couple of weeks ago we started manually clicking and
25 downloading, putting them into folder, so that they

1
2 can be transported to their system. We have about 20
3 or 30 so far and we hope to increase that amount with
4 our internal staff clicking away in an archaic system
5 that we have to use to get over there. But if I
6 could snap my fingers and move all - whatever you
7 know, 800 contracts over to them for their review, I
8 would do that.

9 They also know that if there was anything, any
10 contract in particular that they wanted to see, we
11 would hand it over right away. This isn't, we are
12 not hiding the ball here. I mean, they can have
13 whatever they want.

14 CHAIRPERSON KALLOS: I will acknowledge and just
15 for anyone on social media or in the press or just a
16 regular resident, I have been requesting contracts
17 quite frequently and I get them.

18 So, the numbers 800 contracts, you are saying
19 that you are currently clicking away 20 at a time
20 each day, so is that 40 days or that's how long it
21 will take for the technical fix but I just want to
22 make sure that as we are talking about possible
23 legislation, to bring in yet another party that we
24 have a date certain when this will happen.

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2 DAN SYMON: Yeah, it is a bit slower than you are
3 laying out there. So, we are using our staff, they
4 have to click through each document, put them in a
5 folder, we have to get a link from the Comptrollers
6 office so that we can upload it to the link that they
7 want. It takes a lot to get it in the form that they
8 want.

9 CHAIRPERSON KALLOS: Comptroller access to the
10 same system, so that they can do the clicking if they
11 want to.

12 DAN SYMON: Happy to and they are well aware of
13 this and so, you know, this is you know, we are
14 communicating with them all the time. They are fully
15 aware of what we are doing and they can have access
16 whenever they want.

17 CHAIRPERSON KALLOS: Okay, and I will take that
18 access as soon as possible to. So, in August, New
19 York Post reported that the Comptroller cited two
20 contracts as examples. There was a \$120 million
21 contract with digital gadgets led by a de Blasio
22 donor that failed to deliver their masks and
23 ventilators according to the New York Post. Have
24 they ever delivered? Has this contract been
25

1
2 cancelled? Have we gotten our money back? To anyone
3 with knowledge.

4 JAMIE TORRES-SPRINGER: Sorry, Dan go ahead
5 please.

6 DAN SYMON: Well, I was going to – Mersida can
7 provide additional details about this specific
8 contract. I would just jump in to say that – and
9 just highlight the fact that there are a few examples
10 of the billions of dollars that have been spent in
11 COVID response and I think that is a testament to the
12 rigor and the process that we put around these
13 procurements over the past seven months but Mersida
14 can certainly provide additional details.

15 MERSIDA IBRIC: Yeah, thank you. Yeah, the
16 contract with digital gadgets, they actually did
17 deliver masks and we were able to pay them out for
18 those masks that they delivered and the ventilators
19 contract was cancelled.

20 CHAIRPERSON KALLOS: How much money did the city
21 get back?

22 MERSIDA IBRIC: The city, we did not prepay on
23 any of that, so we only paid for the masks. It was
24 not a get back.

1
2 CHAIRPERSON KALLOS: Okay, how much did we pay
3 for the masks? So, out of 120 million, how much went
4 to the de Blasio donor?

5 MERSIDA IBRIC: I will have to get back to you on
6 the exact figure.

7 CHAIRPERSON KALLOS: I am going to be asking
8 questions for the next 15 minutes, if you can ask
9 somebody on your team to pull it and make sure we get
10 the answer by the time I am done with my line of
11 questioning or second round. We, along the same
12 lines as you have may have read in Cranes, in May I
13 questioned \$91.5 million contract with Woodhull
14 Medical Supply where the time they had not delivered.
15 What is the status of that contract? Did they ever
16 deliver? Have we ever paid? Have we gotten paid
17 back?

18 MERSIDA IBRIC: Yeah, so, we did receive masks
19 again from Woodhull. Everything else, I think the
20 other contract that we had with them was for
21 isolation gowns. That was also cancelled.

22 CHAIRPERSON KALLOS: Okay, how much did we end up
23 paying to Woodhull and is there any money outstanding
24 that they owe us back?

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2 MERSIDA IBRIC: Alright, so I don't have that
3 figure yet, but I am going to get it for you but I do
4 have for digital gadgets, it is 9.1 million.

5 CHAIRPERSON KALLOS: Thank you. So, out of 120
6 million, that went down to 9.1 million.

7 MERSIDA IBRIC: That's right.

8 CHAIRPERSON KALLOS: You might not be surprised
9 to learn that in May, I read in Vogue that 700
10 costume designers teamed up from Broadway to form the
11 Broadway Relief Project to manufacture PPE with EDC.
12 Is that contract still active? How many jobs have
13 been maintained and how much was produced?

14 LINDSAY CLINTON: I am happy to take that one
15 Council Member Kallos. So, we were thrilled that the
16 Broadway community stepped up to work to supply PPE
17 to the city. Costume designers, actors, seamstresses
18 came together to execute on these contracts.

19 In total, the group that we were working with
20 created almost 50,000 isolation gowns and they were
21 delivered and that ended up creating or preserving
22 190 jobs. So, it was great to work with them on
23 those efforts. There were in total three contracts,
24 so two of those contracts were for hospital gowns.
25 One was for coveralls and that third contract for

1
2 coveralls actually ended up being cancelled because
3 the city's needs shifted.

4 We did end up paying for labor and materials in
5 that contract.

6 CHAIRPERSON KALLOS: I actually had reached out,
7 there was a factory that makes high end men's
8 clothing that could actually make the N95 masks and I
9 don't know if there is a status on that in keeping
10 that local factory open.

11 I reached out on behalf of one of our brothers
12 and sisters in labor.

13 LINDSAY CLINTON: Well, Council Member Kallos,
14 first of all, I would say I appreciate all of the
15 leads that you sent our way over the course of the
16 last eight months. It has been very helpful and we
17 have done everything in our power to vet those leads
18 and then update you on the progress around those. I
19 don't know which one you are referring to
20 specifically.

21 CHAIRPERSON KALLOS: I will see if I can pull it
22 for second round. I want to move on because I want
23 to cover some more topics and I have about ten or so
24 minutes left, so let's just say three minutes on the
25 next topic as it were.

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2 So, this committee has oversight over M/WBE. I
3 want to acknowledge that our Economic Development
4 Chair Paul Vallone, our Women's and Gender Equity
5 Chair Helen Rosenthal, who is on and will be asking
6 questions in the first round. I think first person
7 to ask questions as well as the Gov Ops Chair
8 Cabrera. We are all very focused on this and so, I
9 know that in answer to Cabrera's question, Mersida
10 you, Deputy Commissioner Mersida, you cited that 17
11 percent was about that rate. Was that 17 percent of
12 the \$1.2 billion dollars? Was that 17 percent of -
13 what is your denominator for how many of the
14 contracts went there because the Comptroller said
15 that only ten M/WBE's that he surveyed got COVID
16 related contracts.

17 So, what is the denominator when you 17 percent
18 and how many M/WBE's actually got contracts?

19 MERSIDA IBRIC: So, it is actually 14 percent.

20 CHAIRPERSON KALLOS: Oh.

21 MERSIDA IBRIC: Yeah, no, it's okay and the
22 denominator is all PPE related procurements, which
23 was roughly around \$900 million and the total number
24 of M/WBE's I am so sorry, I don't have off the top of
25

1
2 my head but I will try to get it before the end of
3 this, but it is more than 10.

4 CHAIRPERSON KALLOS: So, just to follow up along
5 with the Chairs question, I believe our citywide goal
6 is 30 percent, is it not?

7 MERSIDA IBRIC: It is, it is 30 percent, that is
8 correct.

9 CHAIRPERSON KALLOS: So, how do we get from 14
10 percent of \$900 million to \$360 million of \$1.2
11 billion?

12 MERSIDA IBRIC: Well, I mean, you know, I think
13 there is a lot going on there. Again, I think we
14 have said it all. You know, we were all under sort
15 of rapid fire from March through May doing the best
16 that we can trying to get as many vendors in place -
17 some of which were oversees, some of which were not
18 local to New York City.

19 CHAIRPERSON KALLOS: Okay. So, we will be
20 hearing from M/WBE who has faced difficulty in the
21 procurement process and was not selected. I want to
22 acknowledge and thank them for their courage. In the
23 meantime, businesses wishing to contract with the
24 city that are led by women and people of color, can I
25 ask you to please email contracts at benkallos.com.

1
2 Who can they email in the Administration to assure
3 that they can help accessing these contracts?

4 MERSIDA IBRIC: So, the best go to is always
5 going to be the office of M/WBE.

6 DAN SYMON: They can also reach out to
7 help.MOCS.nyc.gov.

8 CHAIRPERSON KALLOS: Thank you and I maintain to
9 this day that I have the assistance email before MOCS
10 does but I think they may have had it first.

11 So, Deputy Commissioner, I think you referenced
12 it but I appreciate the fact that at the height of
13 the pandemic the City of New York took the bold move
14 of becoming an importer of record, taking possession
15 of PPE in foreign nations but if there is one lesson
16 we should have learned, it is that we need to source
17 PPE locally and that we can use our millions or
18 billions of dollars to do so.

19 Since let's say July or whatever date you want to
20 use, how much PPE has been and then even from today
21 moving forward will be locally and sustainably
22 sourced moving forward growing jobs right here in New
23 York City?

24 JAMIE TORRES-SPRINGER: Maybe I will start with
25 that response and then ask EDC to comment as well. I

1
2 mean, I think as we head into testimony, the need for
3 medical PPE was vastly more significant than any
4 local production that could occur.

5 We have done everything we can certainly to
6 include local production within the stockpile. As I
7 said, I mean the stockpile is nearly complete at this
8 point. So, I wouldn't be able to speculate as to
9 future sourcing but maybe I will ask EDC to also
10 comment on what they are doing to support local
11 producers of PPE.

12 CHAIRPERSON KALLOS: Well, I guess just, if you
13 can share of the N95's in particular, how much of
14 that came from China? Is it 80 percent or is it 50
15 percent? And then I also just want to take a moment
16 to note that we are also joined by Council Member
17 Robert Cornegy who is the M/WBE Task Force Chair with
18 whom I have also worked on this. So, I apologize for
19 omitting him in the long list of people who were
20 interested in the M/WBE issue.

21 So, yes, how much of the N95 supply came from
22 China or another country?

23 JAMIE TORRES-SPRINGER: I couldn't give you the
24 geographic breakdown off the top Council Member. I
25 will say, we have done everything we can in the midst

1
2 of a very difficult situation for sourcing to
3 diversify sources you know, both in the city, across
4 the United States and globally and we have been
5 successful at that. I don't have a specific number
6 for you.

7 CHAIRPERSON KALLOS: Maybe DCAS does. Where did
8 our N95 masks come from and how do we get a local
9 supply?

10 MERSIDA IBRIC: Well, for local supply I am going
11 to have to defer to EDC on that one but I agree with
12 Jamie, we don't have that analysis at this point and
13 time.

14 CHAIRPERSON KALLOS: Anybody else who might have
15 the answer? If MOCS can try to pull a report, I am
16 hoping that the new PASSPORT system has the country
17 of origin or at least where our vendors are on the
18 planet. Is that something MOCS can pull?

19 DAN SYMON: Certainly not immediately, we can
20 work with DCAS and go back and look at that. I would
21 just add for context, you know, you have a company
22 like 3M who basically had 90 percent of the N95
23 market was completely common geared and you know,
24 inaccessible to us and that among other factors of
25 what forced us to search globally for N95's. It is

1
2 also you know and Lindsay can jump in but it is also
3 not an easy business to get into. It is incredibly
4 heavily regulated but Lindsay, go ahead.

5 LINDSAY CLINTON: Sure, yeah, so Council Member
6 Kallos to answer the first part of your question, we
7 ended up spending \$111 million with local and
8 regional manufacturers to produce 4.2 million
9 isolation gowns, 8.4 million face shields, 1 million
10 test kits and then 3,000 ventilators. Creating
11 nearly 3,000 jobs creating or preserving nearly 3,000
12 jobs through that work.

13 In terms of how we are thinking about local
14 manufacturing going forward, I think first of all,
15 everyone should know there is currently a directory
16 of both New York City and regional businesses that
17 make PPE. SBS has been so kind to put that directory
18 together with their council make the manufacturing
19 and industrial innovation council. And so, that
20 exists right now as a directory and database of
21 businesses that make PPE and you can search according
22 to what you need, so that's very valuable to have.

23 We are also just thinking about how we can -

24 CHAIRPERSON KALLOS: And that address is
25 nyc.gov/nycbusiness - sorry, do you have the link?

1
2 LINDSAY CLINTON: I will look it up for you. I
3 believe it is make something/reopening supplies but
4 let me get the exact email address and I will get it
5 to you in the next couple -

6 CHAIRPERSON KALLOS: You are actually correct.
7 So, it is maic.nyc/reopening-supplies.

8 LINDSAY CLINTON: Thank you but just to continue,
9 we are also looking at how we can continue the work
10 that we have done over the last several years. We
11 have run a program called future works, which focuses
12 on advancing innovation and the ability of New
13 Yorkers to invent new things. And so, we want to
14 continue to strengthen and support our manufacturing
15 community through that kind of programming and then
16 work in concert with SBS and their make council.

17 We are also determining if there is some role for
18 incentives for manufacturers to take advantage of
19 when they are pivoting into medical PPE, so we are
20 exploring that route. And then just specific to the
21 N95 question, we do have a couple of local innovators
22 who have gotten very far in their innovation process
23 in terms of the ability to make either an existing
24 design of an N95 or potentially a brand new design.

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It obviously requires investment if we are going to move forward in that route and I think we always have to think about the demand, supply equation and what really makes sense. The fact of the matter is the N95 market place at this point and time is quite firm. It was very soft five months ago. It was very hard to get an N95 and you had to pay variable prices. The market has changed a lot because there are a lot more N95 factories now in the U.S.

CHAIRPERSON KALLOS: So, I am quickly running out of my self-imposed time, so I just want to like jump in here into this second wave stockpile.

Coming into this hearing I felt very strongly that the public needed to know how many masks we had. I want to thank DDC for sharing that we have 3.5 million N95 masks, 37 million level three isolation gowns, 54 million three ply surgical gloves, 185 million nitrite gloves, 900,000 goggle and 6 million face shields. I guess my big question is just to take focus on that. How many of the N95 masks, so these are the stockpile goals. Do we have 3.5 million N95 masks and if not, what is our number?

JAMIE TORRES-SPRINGER: First, I think our target is 13.5 million N95 masks Council Member. Which is a

1
2 90-day supply and we are pretty confident we will be
3 at the 90-day supply by the end of the month.

4 CHAIRPERSON KALLOS: What are we as of today, say
5 eight days from the end of the month?

6 JAMIE TORRES-SPRINGER: I don't have the exact
7 number to give you but as I am saying, you know,
8 within the next, slightly broaden that, within the
9 next few weeks, we should be, we are comfortable at
10 our 90-day supply.

11 I also do want to mention, I mentioned in my
12 testimony but according to the HERDS data that is
13 reported to the hospitals in the city, New York City
14 hospitals have 23 million N95's so.

15 CHAIRPERSON KALLOS: That is good news. So, I
16 guess in your testimony, you mentioned that you are
17 using April as a baseline but you said millions of
18 N95 masks, so how many N95 masks did New York City
19 use in April?

20 JAMIE TORRES-SPRINGER: I don't have that number
21 exactly at hand. As I said, we used the April peak
22 to project how much the whole system needed over 90
23 days and then made sure we were adjusting based on a
24 more normal utilization.

25 CHAIRPERSON KALLOS: What was the April peak?

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2 JAMIE TORRES-SPRINGER: I don't have that number
3 Council Member; we will get back to you.

4 CHAIRPERSON KALLOS: Okay, I guess I am
5 pressuring because for me, I want to know how did we
6 come up with the 13.5 million N95 masks number and
7 all the numbers. And so, okay, you used the peak and
8 then were there any other models you used to
9 determine? Because what I am hoping is anyone
10 watching at home, our medical professionals who will
11 be testifying later and just anyone will be able to
12 say yes, we have done a great job as a city and we
13 have the right number of masks or that no, we need to
14 do better and that's what I think the Council's role
15 in government can be. So, how did you get to 13.5
16 million?

17 JAMIE TORRES-SPRINGER: Sure, so, as I said, we
18 reviewed burn rates reported by hospitals, nursing
19 homes and other providers during the peak in April.
20 These reported during a time of severe supply
21 constraint and so, we also used data to give us
22 estimates of expected PPE consumption. We used the
23 calculations from experts and it was really the
24 Health Department that led this effort about the
25 expected amount of PPE that's needed per bed or per

1 patient on a given day and use that to confirm the
2 overall number that we were targeting and I might ask
3 David Starr from the Health Department if there is
4 anything more he wants to add about that process that
5 we went through.
6

7 CHAIRPERSON KALLOS: I am particularly interested
8 in the model, whether it was an academic model,
9 whether there were health professionals involved in
10 that model and what that model actually is.

11 JAMIE TORRES-SPRINGER: Dave, do you want to add
12 something on that?

13 DAVID STARR: I don't have much to add beyond
14 what Jamie said. We consulted with various health
15 professionals here in the Health Department to talk
16 about what Jamie said about expected amount of PPE
17 needed per bed or patient encounter and different
18 setting and what the risk of exposure was in those
19 different settings. We used an academic model but
20 not precisely. We tailored it according to what our
21 experts here in the Health Department determined was
22 most appropriate for the city.

23 CHAIRPERSON KALLOS: So, nothing further reviewed.
24
25

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2 DAVIS STARR: I will have to get back to you on
3 that because I wasn't directly involved in the use of
4 that model but we can back to you.

5 CHAIRPERSON KALLOS: Okay, this is something that
6 I provided to Administration ahead of time. I did
7 not want to end up in a situation where we didn't
8 have the answer. I think this is the most important
9 question of the hearing, which is just what is our
10 stockpile and how have we determined our 90 day
11 stockpile numbers because lives are riding on it.

12 Along the same lines, you did share a number of
13 the items I did ask questions about; however, you did
14 not share the number of ventilators we have. How
15 many ventilators do we have in our stock? I remember
16 reading an article about the fact that we had
17 basically thrown away ventilators. What is the
18 status of - how many ventilators do we have in stock
19 and what will prevent the city from throwing them
20 away in the future.

21 JAMIE TORRES-SPRINGER: Great, thanks. I
22 appreciate the opportunity to answer that. So, we
23 have pursued ventilator stock of our own based on a
24 target. At its peak, there were about 3,000 patients
25 on ventilator in New York City. Our target was to

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make sure we were able to ventilate at least 6,000 patients in any future resurgence. Just big picture, by the end of the year, we expect to have at least 8,500 ventilators in the city. Right now, the count is nearly 5,000 and that is from three sources. That's ventilators that have been acquired by the city over the last few months. It is ventilators that have been sourced from the state and national stockpile, which have been replaced in recent months for higher quality ventilators and it is also reporting about what the hospitals have in their stock.

I should also mention that we have the breathing machines that were produced under EDC's leadership the Spiros and the Bi-Paps.

CHAIRPERSON KALLOS: Who will these be distributed to?

JAMIE TORRES-SPRINGER: To hospitals.

CHAIRPERSON KALLOS: What about nursing homes, congregate, EMS, medical examiners?

JAMIE TORRES-SPRINGER: My understanding is that ventilators are primarily used in hospitals.

CHAIRPERSON KALLOS: Sorry, I meant for the PPE in general.

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2 JAMIE TORRES-SPRINGER: Oh sure. Yeah, so, you
3 mean just the overall list of who is always in the
4 stockpile?

5 CHAIRPERSON KALLOS: Yes.

6 JAMIE TORRES-SPRINGER: It is a pretty long list
7 of categories. I would just summarize it this way.
8 All of the hospitals, nursing homes, adult care
9 facilities, all of our congregate settings, home
10 health agencies. Maybe I will just read it actually.
11 Dialysis centers, emergency medical services and
12 other uniform services, opioid treatment programs,
13 syringe service exchange programs, independent
14 primary care practices, city agencies that are
15 operating within medical settings, and I should also
16 say, that amounts to about 1,000 potential recipients
17 who are registered and trained within our system but
18 if we missed anybody, we are also open to reviewing
19 requests from other sectors.

20 CHAIRPERSON KALLOS: What about school nurses,
21 home care workers, workers in public schools, workers
22 in public housing?

23 JAMIE TORRES-SPRINGER: So, for any of those
24 workers who are working in a medical setting have
25 been provided with medical PPE. And then there is

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2 also what we think of as non-medical PPE, it might be
3 cloth face coverings, surgical masks, other types of
4 gloves. Those are also being provided to those
5 workers, as necessary.

6 CHAIRPERSON KALLOS: So, school nurse sitting in
7 a room that perhaps if they are lucky has a window
8 that works, child comes in, they think that that
9 child has coronavirus, will that nurse be able to get
10 an N95 mask from you, so they can do a close in-depth
11 person examination the way they need to?

12 JAMIE TORRES-SPRINGER: Yes sir. We have
13 distributed N95's through the Department of Education
14 to school nurses.

15 CHAIRPERSON KALLOS: Okay, we will hear testimony
16 from a group asking about the N95 disposable versus
17 just having a reusable mask. What is the stock of
18 reusable masks.

19 JAMIE TORRES-SPRINGER: I am going to direct that
20 one to Dave Starr from the Health Department.

21 DAVID STARR: The stockpile, as it is situated
22 now does not contain reusable masks and they are very
23 good reasons for that. While we support the use of
24 reusable masks, reusable PPE in health care
25 facilities, it is not that simple. So, like N95's,

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2 to use a reusable mask effectively, you have to go
3 through medical evaluation, a respiratory protection
4 program where you receive medical evaluation to find
5 out if you are able to wear the mask safely and then
6 go through a fit testing program to make sure that it
7 actually fits your face and protect you effectively
8 so. And with the reusable, there are more issues
9 around disinfection after each use and things like
10 that.

11 So, that's part of a whole protocol that each
12 facility would have to develop on their own and we
13 didn't feel it was appropriate to put something that
14 was so specialized by facility in the stockpile
15 because of the cost of those items as well as the
16 fact that they would only be available - they would
17 only be effective for a very small part of the
18 recipients for the intended recipients of the
19 stockpile.

20 So, the stockpile is really built to serve the
21 health care sector broadly and that would be spending
22 a significant quantity of money to serve a very tiny
23 sliver of the health care system. With that said, we
24 do support the use of the acquisition and use of
25 those in specific facilities of course.

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2 CHAIRPERSON KALLOS: Would you be willing to
3 again, we don't want specific facilities bidding
4 against each other. Would you be willing to work
5 with specific folks representing workers who would
6 qualify and use these materials. So, I guess, are
7 you willing to work with folks to help procure these
8 reusable devices and implement them in specific age
9 plus age and other settings?

10 DAVID STARR: Certainly.

11 CHAIRPERSON KALLOS: That's great news. Last
12 question and I don't have a second round at this
13 point and I will pass that onto my colleagues who do
14 have questions. So, my final question is, if I am a
15 city employee, who I represent a group of city
16 employees and listen, if it was me, if it was my
17 loved one, some people don't want to wear an N95
18 mask, they are happy with the cloth mask because it
19 is much more comfortable but listen if you want to
20 bring things as close to zero I mean, you can correct
21 me if I am wrong, but the least risk is to just have
22 an N95 mask.

23 If city employees don't necessarily feel safe and
24 do want an N95 mask, who is the ultimate arbitrator,
25 now that we are no longer in a situation where there

1
2 is not enough of anything. Who can get an N95 mask
3 if they might be compromised or be an at risk group
4 that still is being told to go to work in person?

5 JAMIE TORRES-SPRINGER: Dave, do you want to just
6 speak to the appropriate uses of the N95 masks and
7 then I will answer a little more generally.

8 DAVID STARR: Okay. We really, I mean, when we
9 are thinking about the stockpile and the efforts that
10 we've made, we are really focusing on medical
11 situations. So, the stockpile is really dedicated
12 for medical personnel who are at risk.

13 N95's, like I described with the reusable PPE,
14 the reusable respirators, you do have you know - you
15 need a respiratory protection program in a facility
16 that can adequately fit test you know, clearly them
17 medically for the use of the respirators -

18 CHAIRPERSON KALLOS: I am just asking about the
19 N95 masks in general.

20 DAVID STARR: What I am getting at is that if you
21 are wearing an ill-fitting N95 mask that you have not
22 been fit tested on, it is not much more protection
23 than a surgical mask, if any at all.

24 If people would like to access N95's from like a
25 home depot or something like that to make them feel

1 more comfortable, that is certainly an option they
2 can take advantage of.

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4 JAMIE TORRES-SPRINGER: Right, but just to be - I
5 mean, N95's need to be fit tested to be effective.

6 DAVID STARR: To be effective, right.

7 JAMIE TORRES-SPRINGER: That has to be done in
8 clinical setting where there is expertise, which is
9 why N95's are deployed in medical settings.

10 I would also say more generally Council Member, I
11 mean, we are doing everything we can as a City across
12 all agencies to make sure that our city workers have
13 the appropriate PPE and if there is any City
14 employers that has a concern, they should talk to
15 their health and safety office within their agency.

16 CHAIRPERSON KALLOS: And a big question is, since
17 the pandemic began we went from no masks to 6 feet of
18 space and social distancing to masks plus that and
19 then we started to learn about the fact that there
20 could be airborne droplets and the question is, if
21 you are municipal worker working in H&H and you are
22 being told to go into that room with somebody who has
23 corona, who is COVID-19 positive, where there may be
24 droplets where we don't know what the air circulation
25 necessarily might be in all of our facilities. Go

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2 in, clean up everything, wipe down the bed, make sure
3 that the person is okay, do you job, is that a person
4 who can access N95 masks if they want to?

5 DAVID STARR: If that fits with the facilities
6 respiratory protection program then yes.

7 CHAIRPERSON KALLOS: Okay, that's the end of my
8 questions. We will be hearing from some of the labor
9 leaders who represent a lot of these groups and I
10 hope that somebody from the Administration will stay.

11 We will now hear from Council Member Rosenthal,
12 Barron, Gjonaj and Cornegy. I am going to turn it
13 over to our Moderator Alex from my Committee.

14 COMMITTEE COUNSEL: I will now call on members in
15 the order that the have used the Zoom raise hand
16 function. Council Members, If you would like to ask
17 a question and you have not yet used the Zoom raise
18 hand function, please do so now.

19 You will have a total of five minutes to ask a
20 question and receive an answer from the panelist.
21 The Sergeant at Arms will keep a timer and will let
22 you know when your time is up. Once I call on you,
23 please wait until the Sergeant has announced that you
24 may begin before asking your questions.

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2 As the Chair said, first we will hear from
3 Council Member Rosenthal followed by Council Member
4 Barron and then Council Member Gjonaj. Council
5 Member Rosenthal, you may begin as soon as the
6 Sergeant announces the time.

7 SERGEANT AT ARMS: Time starts now.

8 COUNCIL MEMBER ROSENTHAL: Great, thank you very
9 much. Can you hear me alright? I am multi-Zooming
10 so I have been a little distracted and I apologize if
11 these questions have already been asked. Most of
12 them follow up with Council Member Kallos's
13 questions.

14 I am wondering if we could go back to the DOI
15 Commissioner. I am wondering – and then also, maybe
16 Dan Symon knows about this. Do you know if the City
17 paid for anything that we did not receive? Like the
18 one that the Commissioner seemed to note that she was
19 investigating.

20 MARGARET GARNETT: I will let DCAS follow up on
21 that. In active investigations that we have, I would
22 say for merchandise, I am not aware of anything that
23 we are currently investing pre-paid for and didn't
24 receive.

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2 We do have some investigations into people
3 accessing certain services the City was providing in
4 which money was expended that did not go to the right
5 people. So, I can't provide more detail about that
6 but we do have some investigations of that nature
7 that are active right now.

8 COUNCIL MEMBER ROSENTHAL: So, in another words,
9 it is sort of a subcontract. So, reimbursement, an
10 invoice was given to the City, the City reimbursed
11 and then you are looking at the subcontractors.

12 MARGARET GARNETT: Right, or in the case of
13 services where the City was paying for services that
14 were intended only for certain populations and bad
15 actors sort of took advantage of those services that
16 the weren't entitled to receive.

17 COUNCIL MEMBER ROSENTHAL: Sure, thank you. What
18 is the total value of those types of investigations?

19 OH, she has been muted.

20 MARGARET GARNETT: Okay, I think I am back. I
21 don't have the exact figure and I think with some of
22 those investigations that are ongoing, it is hard to
23 put a dollar amount on them right now particularly in
24 the services side. Certainly, you know, we have
25 hundreds of thousands of dollars I would say on the

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2 services side potentially. On the good side, as I
3 said, are investigations on the provisions of good
4 side. Very few if any of those are a prepayment
5 situation. But in other words, they are not ones
6 where there City paid in advance and didn't get.

7 COUNCIL MEMBER ROSENTHAL: Right and for the ones
8 where I guess on services, do you have call back
9 provisions in the contracts? Oh, my goodness.

10 MARGARET GARNETT: I honestly think I am doing
11 that. I am so conditioned on Zoom to mute myself
12 when I am not talking. So, on the services side,
13 those - some of those contracts have call back
14 provisions and also where -

15 COUNCIL MEMBER ROSENTHAL: I am wondering why
16 wouldn't all have - why wouldn't that be a standard
17 line in a City contract to have a call back
18 provision.

19 MARGARET GARNETT: I am going to defer to Dan
20 Symon on that.

21 DAN SYMON: Hi Council Member Rosenthal, good to
22 see you. Yeah, Mersida can give the specific details
23 around what we prepaid for and the very, very few
24 items that we didn't get back and what is at risk.
25 The value of the funds at risk but I will just tell

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2 you that back in the Spring, as I mentioned before,
3 it was a seller's market and the City almost never
4 pays upfront for anything. In fact, it never
5 happened before in my career. We were forced to take
6 that measure but Mersida, go ahead.

7 COUNCIL MEMBER ROSENTHAL: Well, unfortunately I
8 only have a minute.

9 DAN SYMON: Oh, sorry.

10 COUNCIL MEMBER ROSENTHAL: So, I would appreciate
11 your getting back to the Committee staff on the
12 dollar value.

13 DAN SYMON: Sure thing.

14 COUNCIL MEMBER ROSENTHAL: And if there are any
15 contracts that didn't have call back provisions.
16 Also, I am wondering Dan why PASSPORT doesn't connect
17 with the Comptroller's office. It would seem that
18 you know, just regular payment that that would make
19 sense. And my second question, in case I get off is,
20 how many emergency contracts has the Comptroller been
21 able to audit and has he found anything? Has
22 anything bubbled out of those audits?

23 DAN SYMON: Sure thanks, so, because this got
24 kicked up in March right, we didn't have release
25 three of PASSPORT, which we talked a lot about.

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SERGEANT AT ARMS: Time expired.

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DAN SYMON: It didn't go live until June and so,
that capability of doing any kind of contract
management went live in June. And so, all of these
emergency purchase orders and contracts are in the
older system that we are replacing and so, that's why
they are stuck in this manual process.

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COUNCIL MEMBER ROSENTHAL: So, if they had a
contract today, it would just flow right through the
invoice for example. It would flow right through
from PASSPORT to the Comptrollers office to cut a
check?

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DAN SYMON: Invoicing is coming in release four,
and so that will be in 2021, I am sorry, I am sorry
but release three is a huge release that we just went
live with in June and we are very excited about it
and we have built an interface with the Comptrollers
office. In fact, the first few contracts went
through just in the past week or so.

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COUNCIL MEMBER ROSENTHAL: Okay and I really want
to defer to my colleagues. So, if you could get back
to the Committee to have the answer on how many of
the contracts has the Comptroller's office audited of

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1 the total and has the Comptroller identified
2 anything?
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4 DAN SYMON: Sure thing.

5 COUNCIL MEMBER ROSENTHAL: Thank you very much.
6 Thank you Chair's.

7 COMMITTEE COUNSEL: Thank you Council Member
8 Rosenthal. Next, we will hear from Council Member
9 Barron followed by Council Member Gjonaj. Council
10 Member Barron, you may begin when the Sergeant calls
11 time.

12 SERGEANT AT ARMS: Time starts now.

13 COUNCIL MEMBER BARRON: Good afternoon, thank you
14 to the Chair's for calling this hearing and thank you
15 to the panels for coming and sharing the information
16 with us.

17 As my colleague Council Member Rosenthal has
18 indicated, we are bouncing back and forth between
19 other hearings and I apologize if this information is
20 duplicative of what you have already answered. But I
21 would like to know the amount that has awarded
22 through these contracts for each of the items that
23 are under the PPE. The N95 cloth masks, gowns,
24 gloves and face shields. Can you hear me.
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2 JAMIE TORRES-SPRINGER: Hi Council Member Barron,
3 sorry about that. Good to see you. We mentioned at
4 the outset of the hearing that the total tally is
5 about \$900 million at this point.

6 COUNCIL MEMBER BARRON: Right.

7 JAMIE TORRES-SPRINGER: Has been spent on that
8 PPE. I don't have the specific breakdown by those
9 different categories. These were bulk purchases
10 where with some contracts and deliveries we were
11 getting multiple items in the same deliver, so we
12 would have to do a little bit of work to break that
13 down. Unless Dan or Mersida corrects me. We are
14 happy to do that, to get you that information.

15 COUNCIL MEMBER BARRON: I am disappointed that
16 you don't have that. It would I think help us to see
17 where the bulk of the money has gone. I understand
18 that you say that is a bulk delivery, bulk purchases,
19 but I think it should be able to have been
20 disaggregated simply by the contract that was posed
21 in itself. So, I would love to get that information.

22 So, then that brings me to my second question
23 which you won't be able to answer. Which is, of
24 those contracts that were awarded in each of the
25 categories for PPE, how many contracts went

1 specifically to Black companies? We know we are in
2 this age now; we are talking about the systemic
3 injustices that Blacks have endured systemically from
4 this beginning of this country and we would like to
5 know how we are addressing that. And when Blacks get
6 lumped into W/MBE categories, it sometimes masks the
7 inequity still that Black companies are facing.

9 So, I would like to have that information once we
10 get the disaggregation for the awards that were
11 given.

12 And you talk about stockpiles and I have heard
13 you say that the stockpiles are for medical personnel
14 for a period of 90 days. So, are we hearing now that
15 what you have stockpiled and the quantities that you
16 have described will be sent to or able to be
17 distributed to those medical facilities only? And
18 you did have a list of what's on - the entities on
19 that list, so are those the only ones that will
20 receive these equipment?

21 JAMIE TORRES-SPRINGER: I am going to make a
22 couple points for you there and thank you for the
23 question. So, basically, the goal is for this type
24 of PPE, for anything happening in a medical setting
25 to be able to provide it to those health care

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2 workers. And so, there was a long list of different
3 types of organizations where medical work is
4 happening. If we missed anybody through all our
5 outreach and I mentioned that we have more than 1,000
6 entities signed up and we are happy to talk about
7 adding them.

8 I will also say we do have a supply of non-
9 medical PPE. Things like face coverings, gloves and
10 so on and the City has been – that's with DCAS and
11 the City has been deploying that in whatever case
12 that it is needed.

13 COUNCIL MEMBER BARRON: So, I did hear you
14 reference or someone referenced previously that NYCHA
15 did receive some of these PPE equipment, particularly
16 in terms of the face coverings. Are they a part of
17 this consideration, so that again, NYCHA can expect
18 to receive these kinds of equipment?

19 JAMIE TORRES-SPRINGER: Yeah, if a city agency
20 needs medical PPE, they are getting it from the
21 stockpile. Yes, ma'am.

22 COUNCIL MEMBER BARRON: Okay and two more
23 question, I have to talk quickly. As you were
24 selecting contractors, did you have a cap on the
25 amount that you would be willing to negotiate to pay

1 for any of the particular items or was it just,
2 listen we need it and we are going to pay whatever we
3 are being asked to pay. And what outreach was done
4 particularly to Black businesses to let them know how
5 they might take advantage of this opportunity to be
6 able to provide service, even if it meant shifting
7 the products that they were presently producing? You
8 mentioned museums Dave and also one of the beer
9 companies shifted and presented that to the City.
10 So, were there businesses, was there outreach done,
11 so that they would know listen, I might be able to
12 modify -

14 SERGEANT AT ARMS: Time expired.

15 COUNCIL MEMBER BARRON: Thank you. Production
16 line to bring this out and what was that outreach
17 done in that regard and was there a cap on what you
18 would pay for the equipment?

19 JAMIE TORRES-SPRINGER: Dan, do you want to
20 respond on the pricing and then I think probably
21 Lindsay would be best to respond on local production.

22 DAN SYMON: Sure. So, as you could imagine, the
23 prices were extremely volatile back in the Spring but
24 we did what we could to analyze the market in real
25 time and only pay reasonable prices but we did not

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2 have any cap but we certainly paid a higher price
3 than what those items were costing pre-COVID.

4 COUNCIL MEMBER BARRON: Okay.

5 LINDSAY CLINTON: Council Member Barron, I am
6 happy to answer on behalf of EDC because of the local
7 sourcing focus that we had.

8 Let me just preface by saying, obviously it is so
9 important to focus on supporting and strengthening
10 M/WBE's particularly when we look at economic
11 recovery. EDC prioritizes M/WBE selection, we
12 exceeded our target last year as an organization and
13 agency and we are thinking about raising our target
14 for the year ahead.

15 So, just something to be aware of. It is
16 definitely high priority for us. In terms of the
17 local sourcing operation, if you look across the over
18 130 factories or sub-factories or companies that we
19 ended up sourcing from or sourcing through, about 40
20 percent of those were owned by a woman or minority
21 entrepreneur. I don't have exact numbers for Black
22 entrepreneurs but yeah, that was our rate.

23 In terms of outreach, you know, we had a link on
24 our site that functioned as our intake form for
25 anyone to be able to raise their hand and say, I have

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2 PPE I would like to provide it to the City and we had
3 an M/WBE check box on our form, so that we could
4 easily determine who fit that categorization. But I
5 should caveat and say that the kinds of companies
6 that were supplying to the City that were often
7 fashion manufacturers for example, who may had
8 participated in City procurement before, they
9 wouldn't necessarily have been certified as an M/WBE.
10 So, it is just something to keep in mind.

11 COUNCIL MEMBER BARRON: Thank you so much and to
12 the Chair's Vallone, Kallos and Cabrera, thank you.

13 COMMITTEE COUNSEL: Thank you Council Member
14 Barron. Next, we will hear from Council Member
15 Gjonaj.

16 SERGEANT AT ARMS: Time starts now.

17 COMMITTEE COUNSEL: As a reminder to the
18 remaining Council Members, please use the Zoom raise
19 hand function if you still have a question.

20 COUNCIL MEMBER GJONAJ: So, I want to thank the
21 Chair's and most of my questions were already raised
22 and I want to thank Kallos on honing in on some of
23 those. My question is, is the executive orders,
24 suspending the city's procurement was still in effect
25 during the state of the emergency?

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2 JAMIE TORRES-SPRINGER: Yes, it is Council
3 Member.

4 COUNCIL MEMBER GJONAJ: What is the purpose now
5 that we have had a moment to catch up and I guess
6 refocus. Why are we still operating under the
7 suspension of the City's procurement was when we now
8 have the ability to shop differently and comply with
9 those laws but you have a stockpile in hand.

10 JAMIE TORRES-SPRINGER: So, Council Member the
11 executive order is not just for PPE procurement.
12 There, as you can imagine, there are emerging needs
13 as it relates to COVID. And so, it's not just PPE
14 that this is applicable to. So, as I said, the Mayor
15 is using every tool at his disposal to protect New
16 Yorkers and we will continue to do so until it is not
17 needed.

18 COUNCIL MEMBER GJONAJ: Well, thank you then
19 that's great but this is an opportunity for us to
20 comply with the procurement laws. Obviously, the
21 pressure on both of us and if we can do that with PPE
22 in this new world that we live in and PPE is going to
23 continue with demand or continue for some time to
24 come and the sooner we start complying with those
25 procurement laws and the acquisition of product and

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2 services, the better off we are and I don't think
3 anyone is going to dispute that. Do you agree?

4 JAMIE TORRES-SPRINGER: Sure, I would just say
5 that the law is suspended, so it is not like we are
6 not complying with the law. In fact, we are
7 mimicking the processes that would be in place to a
8 large degree and we have gone to great lengths to
9 ensure that there is rigor in the process and
10 transparency.

11 But I take your point, we take no comfort in the
12 fact that the laws have been suspended at all and I
13 look forward to as much as you do to having our
14 procurement laws back in effect.

15 COUNCIL MEMBER GJONAJ: Thank you. So, my next
16 question is, what is the number of disposable masks
17 that we currently have at hand and how much more do
18 you believe will be required of us to have at hand in
19 the future, especially in light of the threat of a
20 second wave?

21 JAMIE TORRES-SPRINGER: Right, thanks Council
22 Member. So, there are two different categories there
23 but I will give you our 90-day stockpile targets.
24 For N95 respirator masks 13.5 million and then our
25 target for three ply surgical masks is 54 million.

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2 COUNCIL MEMBER GJONAJ: And have you acquired all
3 of that already? Do you have that in place?

4 JAMIE TORRES-SPRINGER: We are very close in all
5 categories.

6 COUNCIL MEMBER GJONAJ: Can I also suggest then
7 that we - I put a bill in request government stop
8 purchasing disposable masks, especially when it is
9 not for essential workers. We are giving out a
10 tremendous amount of masks. We should actually be
11 looking into reusable, washable, cloth masks. Even
12 the CDC now has suggested that we start using more
13 reusable masks.

14 Obviously in the long run it would cost taxpayer
15 dollars less. We would be able protect Mother Earth
16 and from an environmental conscious point of view, it
17 is the right thing to do. Stop filling our landfills
18 and give everyone an opportunity to reuse masks and
19 we know that is going to be a newer life.

20 Can anyone answer why we are still buying
21 disposable masks when it is nonessential. When it
22 doesn't fit the category of nonessential workers?

23 JAMIE TORRES-SPRINGER: Yeah, Council Member, I
24 guess to the last point you made. This is really for
25 essential workers. I will say that we do have a

1 supply of reusable cloth masks and in fact mentioned
2 earlier, we have been able to distribute about 7
3 million of those to nonprofits across the city that
4 are distributing them to folks.
5

6 The surgical masks that we are talking about are
7 for use in a health care setting, in a medical
8 setting.

9 COUNCIL MEMBER GJONAJ: I think the EDC has been
10 giving out masks as well throughout the city at all
11 New Yorkers are making sure they protect themselves.
12 I only have 20 seconds, but I want to ask my next
13 question and obviously under services that you are
14 honing in on is COVID testing. Why the COVID
15 testing? Why aren't we using antibody testing to
16 determine who has had COVID, so we can come up with
17 two categories. Those that have been exposed to it
18 and then the unlikely -

19 SERGEANT AT ARMS: Time expired.

20 COUNCIL MEMBER GJONAJ: Catch it again or be
21 exposed to it again, so we can focus on those that
22 have not contracted the disease or this virus and
23 then start focusing on those that are vulnerable.
24 Underlying health conditions or the elderly, so we
25 can start getting a very proactive approach and I

1
2 would hope that there would be a movement for this
3 versus the continuous retesting. And we know the
4 findings of the COVID test are only good up until the
5 date that you have taken the test and going back for
6 a repeat test weekly is going to cost taxpayers more
7 money and ultimately not yield the result that we
8 need. And this will also be very helpful to us in
9 the time of a vaccine, which we hope is around the
10 corner given to those who have not had a prioritizing
11 the vaccine for those that have not had the virus.
12 Can anyone answer and my time is up.

13 JAMIE TORRES-SPRINGER: Council Member, I want to
14 thank you for that. We will certainly make sure that
15 we get that feedback. We don't have our test and
16 trace operation here for this hearing today, so they
17 are the right ones to answer the question. They can
18 follow up but thank you.

19 COUNCIL MEMBER GJONAJ: Chair's, I hope that we
20 would revisit that question as we start looking at
21 what we can do in a proactive manner. I am big
22 supporter of the antibody test versus just the COVID
23 test. Let's figure out the two categories. The
24 sooner we know who has had it versus who hasn't been
25

1
2 exposed to the virus, the better we can come up with
3 a plan moving forward. Thank you.

4 COMMITTEE COUNSEL: Thank you Council Member
5 Gjonaj. I will now turn it back to Chair Kallos for
6 any further questions.

7 CHAIRPERSON KALLOS: I am going to just ask a
8 quick off topic question to Margaret Garnett at DOI.
9 Each month I open my office to meet face to face with
10 residents. Now we do it over Zoom; it is called
11 First Fridays; anyone is welcome to join. This month
12 multiple residents brought up questions and concerns
13 regarding alleged corruption at the Department of
14 Investigations and proceed failure to investigate
15 certain complaints. There are even instances of
16 federal litigation around this but I don't want to
17 ask about that.

18 So, with regards to anyone who has concerns about
19 alleged corruption at DOI, what should the City
20 Council be doing about it and what can you as the
21 head of DOI do about it?

22 MARGARET GARNETT: So, we investigate every
23 complaint we receive, even the ones that are about
24 ourselves. My general counsel Leslie Dubeck is the
25 IG for DOI, so she conducts internal investigations

1
2 that relate to complaints about DOI. If a complaint
3 is about me, I am obviously recused from that and we
4 would take other measures to make sure that it is
5 investigated without conflict.

6 So, I don't know the specifics of what you are
7 asking about, I am happy to talk to you about that
8 online but we do have a process within DOI to make
9 sure that even if the complaints are about us, that
10 they are investigated with the same rigor that we
11 would apply to any other city agency.

12 CHAIRPERSON KALLOS: Great, so as a mandatory
13 reporter myself, if it is a complaint about DOI, I
14 can either bring it to you or your general counsel
15 and there is a procedures moving forward?

16 MARGARET GARNETT: Yes, that is correct.

17 CHAIRPERSON KALLOS: Thank you, that's my
18 question. Over to Chair Cabrera.

19 CHAIRPERSON CABRERA: Thank you so much. I have
20 one question because I know the Chair's want to move
21 forward and we have more panelists but I wanted to
22 get a picture of at what point do you feel that our
23 PPE safety net will be vulnerable, would be
24 overwhelmed? What is the case scenario that you see
25 that we are - who wouldn't be prepared for a second

1 surge, if I can use the word tsunami in this pandemic
2 that it will be overwhelming. It will overwhelm the
3 system.
4

5 JAMIE TORRES-SPRINGER: Yeah, thanks for the
6 question Council Member. I mean, that's certainly,
7 that's been the driving concern for us you know, and
8 under the Mayor's direction to build a 90-day
9 stockpile. It was all about that and I can say that
10 we - one agency that is not with us today is the New
11 York City Emergency Management but we have been doing
12 tabletop exercises where you know, we all work within
13 scenarios and I can say that that happens at the
14 highest levels of the Administration on a constant
15 basis and that's been the basis for the planning
16 assumption that we have stockpiled 90-days' worth of
17 PPE.

18 Also, as I have mentioned, we are seeing
19 reporting that hospitals and nursing homes are
20 complying with that executive order. So, you know,
21 just in one hypothetical example, if the hospital has
22 90-days of PPE and we have 90-days of PPE, that gives
23 us six months of a - I am not going to say we are
24 going to have this, but six months of a surge like in
25

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2 April and during that six months, we would certainly
3 be able to source more PPE.

4 So, that's what gives us a lot of confidence
5 about these numbers.

6 CHAIRPERSON CABRERA: Right. Alright, let me
7 give it back to the Chairs, Chair Kallos.

8 CHAIRPERSON KALLOS: Thank you very much. I
9 would like to thank all the Council Members who
10 stayed through a very long beginning of the hearing.
11 There are outstanding questions for the
12 Administration. I am going to check in with Mersida,
13 if she got me any of those numbers by the end of our
14 questioning. Did we lose Mersida?

15 MERSIDA IBRIC: No, I was just muted, sorry about
16 that. So, on Woodhull who is a city certified M/WBE,
17 we ended up paying them \$500,000 for the masks that
18 they delivered.

19 CHAIRPERSON KALLOS: Great, thank you and I know
20 that Council Member Rosenthal has outstanding
21 questions and we hope to get those back and I will
22 now excuse the Administrative panel, thank you.
23 Please make sure to respond to any follow ups. We
24 now have multiple panels. We are not really doing
25 panels anymore but just in terms of groups of folks.

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2 So, we are prioritizing folks who are working on
3 specific frontlines and medical situations.

4 So, we should hear from New York State Nurses
5 Association, doctors, Council's, CWA 1180, DC-37,
6 Local 420 in a first grouping. We will also hear
7 from our workers who are essential workers at DC-37
8 Local 372 and as well as CIU 33BJ. Our next group we
9 will hear from Human Service Council, Anti-Defamation
10 League and M/WBE. As well as a final panel of
11 doctors and members of the community.

12 I will turn it back over to the Moderator.

13 JAMIE TORRES-SPRINGER: Thank you very much. I
14 just want to thank you Council Members for the
15 opportunity to talk about this. Thank you very much
16 for holding this hearing.

17 CHAIRPERSON VALLONE: Yeah and thank you to this
18 panel. That was a very detailed, almost three hours
19 so, we thank you for all the information and we will
20 follow up to check things.

21 JAMIE TORRES-SPRINGER: Thank you.

22 COMMITTEE COUNSEL: Thank you Chairs. We will
23 now turn to public testimony. I would like to remind
24 everyone that unlike our typical Council hearings, we
25 will be calling individuals one by one to testify.

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1 Each panelist will be given five minutes to speak.
2 Please begin your testimony once the Sergeant has
3 started the timer. Council Members who have
4 questions for a particular panelist or a group of
5 panelists, should use the Zoom raise hand function
6 and we will call on you in the order that you raised
7 your hand once the panelist has completed their
8 testimony.
9

10 For panelists, once your name is called, a member
11 of our staff will unmute you and the Sergeant at Arms
12 will set the timer and then give you the go ahead to
13 begin. Please wait for the Sergeant to announce that
14 you may begin before delivering your testimony.

15 I would now like to welcome Judy Sheridan-
16 Gonzalez to testify. After Ms. Sheridan-Gonzalez, we
17 will hear from Kevin Collins followed by Shaun D.
18 Francois.

19 Ms. Sheridan-Gonzales, please begin once the
20 Sergeant starts the timer.

21 SERGEANT AT ARMS: Time starts now.

22 JUDY SHERIDAN-GONZALEZ: Good afternoon, I am
23 Judy Sheridan-Gonzalez, an emergency room RN and
24 President of the New York State Nurses Association,
25

1 largest RN union in New York representing over
2 42,000.

3
4 Frontline health care workers went into battle
5 last spring, lacking the tools need to provide care
6 for our patients while keeping ourselves, coworkers,
7 families and communities safe from the virus. I know
8 this because I was there. My hospital in the Bronx
9 was completely overwhelmed by the sick and dying
10 during New York's COVID-19 surge in the spring.

11 We don't ask fire fighters to run into burning
12 buildings without proper equipment and safety gear,
13 but that's exactly what we subjected bedside health
14 care workers to do.

15 While we wanted some improvements, what we got
16 was far short of proper protection. N95's designed
17 to be discarded after every patient interaction where
18 we were rationed one per week, even two weeks then
19 cleaned and reused. We had to fight for the right to
20 wear one new N95 per 12 hour shift. Not a universal
21 win but this same mask was worn between many patients
22 allowing for cross infection and resulting in brutal
23 facial scarring. Just to show you what that looked
24 like for those of you who have video, this is what
25 the facial scarring looked like.

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2 Previously, using an N95 resulted in worker
3 discipline for an infection control violation. NYSA
4 and other unions sounded the alarm about the acute
5 shortages of PPE, demanding federal action to invoke
6 the Defense Production Act. Sadly, those calls fell
7 on deaf ears at the federal level.

8 At the state level, at first to obtain PPE were
9 haphazard and often ineffective in spite of best
10 intensions. Supplies were inadequate, some N95's
11 were counterfeit or expired. There was no clarity
12 that defined sufficiency of PPE. The state
13 frequently implied that PPE distribution was adequate
14 but these assertions were based on inaccurate
15 information provided by facilities and so called
16 scarcity standards. Which are protocols relying on
17 extended use and reuse of disposable equipment in
18 violation of all medical and scientific standards.
19 It was tantamount to reusing a condom, picture that
20 for a moment. Another problem, these inadequate PPE
21 supplies were also unfairly distributed within the
22 health care system. Some facilities leverage better
23 connections and had financial resources to obtain
24 supplies, but meanwhile, safety net hospitals like my
25 own, public New York City Health & Hospital system,

1 long term care and home care had much greater
2 difficulty and fewer PPE supplies. Some had none at
3 all. No surprise, these facilities largely serve
4 Black and Brown communities and our most vulnerable
5 New Yorkers. While a number of governmental and
6 nonprofit agencies, the City of New York, even
7 individuals fundraisers tried to step in to alleviate
8 PPE shortages, there were a few steps taken towards
9 extending the range of respirators available and no
10 sustaining encouragement of local production of PPE.
11 As a result, thousands of us became ill and many died
12 of COVID-19 even while we struggled to save the lives
13 of our patients.

14
15 Effective emergency management requires us to
16 take what was learned during COVID round one and use
17 it to be better prepared for round two and beyond.
18 One solution is to expand the array of respirators
19 available, especially those no disposable designed to
20 be worn for extended periods and safely cleaned. And
21 that's where elastomeric respirators come in and I
22 have a picture of that respirator for you. That's
23 what it looks like.

24 They sit better, they reduce facial scarring and
25 they better control moisture. You have all

1
2 experienced the build up of nasal secretions in your
3 simple masks. Imagine a nurse wearing a tight
4 fitting N95 for 12 hours what it would like providing
5 a pool for virus to proliferate.

6 Finally, with the increase in prices of N95's
7 during the COVID crisis, elastomeric's makes much
8 more sense financially. Every elastomeric respirator
9 used eliminates the need for hundreds of thousands of
10 N95's. If each facility in the city replaced some
11 portion of their N95's with these reusable
12 respirators, the need to purchase N95 still in short
13 supply during future viral surges and one is looming
14 right now, would be vastly reduced.

15 According to a recent article in the Journal of
16 American College of Surgeons, elastic respirators
17 cost ten times less per month than disinfecting and
18 reusing disposable N95's. Incorporating
19 elastomeric's could provide additional opportunities
20 for sourcing equipment locally, bolstering our
21 fragile economy.

22 Some New York firms use equipment and production
23 methods akin to those needed for such production of
24 elastomeric's. Others could be retooled and
25

1 supported to do so, providing desperately needed jobs
2 and promoting industrial development.
3

4 Recently NYASH recognized the importance of
5 elastomeric equipment creating a program to
6 distribute a couple hundred thousand of them, free of
7 charge for facilities willing to evaluate their use.
8 Many facilities throughout the country are already
9 incorporating them into their programs, including
10 Brookdale, Interface, Kingsbrook and Brooklyn
11 Hospital Center, right here in New York City. If
12 they can do it, why not others?

13 This is a time to follow the science, follow
14 NYASH lead. We need to get elastomeric's into all
15 stockpiles, state, city, facilities large and small.
16 Let's hothouse PPE production right here in our own
17 state.

18 SERGEANT AT ARMS: Time expired.

19 JUDY SHERIDAN-GONZALEZ: If we don't it will be
20 déjà vu. We are committed to make it happen. As
21 Councilman Torres-Springer said, we are always
22 looking to add further rigor to our procurement
23 process.

24 Please ensure that these safer, most cost
25 effective respirators are made available. Create

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2 jobs for New Yorkers, be fiscally responsible,
3 provide superior reliable products that will save the
4 lives of patients and care givers. Thank you for
5 allowing us to testify.

6 COMMITTEE COUNSEL: Thank you Ms. Sheridan-
7 Gonzalez. Next, we will hear from Kevin Collins
8 followed by Carmen Charles followed by Shaun D.
9 Francois. Mr. Collins, you may begin your testimony
10 when the Sergeant calls time.

11 SERGEANT AT ARMS: Time starts now.

12 KEVIN COLLINS: Good afternoon Chairs Kallos,
13 Cabrera and Vallone. Thanks for the opportunity to
14 testify before you and the other members of the
15 Committees and I hope each of you and your families
16 are safe and well. I am Kevin Collins, Executive
17 Director of Doctors Council SEIU. We are the union
18 for physicians and dentists and represent doctors in
19 New York and different states.

20 As today's hearing deals with the COVID-19
21 pandemic and PPE, Personal Protective Equipment, I
22 think it appropriate that we all reflect on those who
23 have lost their lives due to the coronavirus who have
24 been impacted by the loss of a loved one, lost their
25

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2 jobs or otherwise been negatively hurt. Let's never
3 forget those.

4 I also want to lift up all the members of Doctors
5 Council SEIU who worked and continue to practice
6 during the COVID-19 pandemic and may be called on to
7 do so with future waves of other pandemics and also
8 the other members of the patient care team including
9 nurses, techs and housekeepers and all the union
10 members that have kept New York City going.

11 Today deals with a couple of topics. With
12 respect to Intro. 1980, establishing a special
13 inspector to review contracts, we were in favor of
14 this. Due to the serious impact of the COVID crisis
15 and future possible waves, anything we can learn from
16 what we went through is needed as well as having
17 transparency in what occurred.

18 For example, the current method of the supply
19 chain for PPE for hospitals and health systems is
20 ridiculous, as we recently witnessed, inadequate to
21 handle emergencies. Even health systems that may
22 have had PPE orders made in late 2019 or early 2020
23 may have seen these orders rerouted or used
24 elsewhere.

25

1
2 Further, there must be standard protocols in
3 place to ensure that the PPE that does reach
4 frontline doctors and other health care workers are
5 in compliance with appropriate regulatory and safety
6 standards. There have been suppliers of PPE that
7 have sent supplies that were not proper and could do
8 harm to the doctor and patient through the spreading
9 of illness or injury.

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

20 Further, as these PPE contracts impact the lives
21 and health and safety of healthcare workers and
22 patients, they should be a. on the health system
23 website and b. reported to appropriate government
24 agencies for review and also to be available for
25 public view. The government agencies should ensure

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that the PPE contracts are safe and secure and that one health system does not have lower standards than another. There must be a delineated set of standards for all. Everyone deserves this and no less. Communities of color and those in lower income neighborhoods suffered the impact of COVID 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, the CDC and the State DOH and various health systems that followed their guidance, would have various protocols such as 14 days of 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.

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2 This is to not necessarily to blame any
3 individual hospital or health system, for as I noted
4 earlier, the supply chain system in our country is
5 poorly designed and implemented. Hospitals should
6 not have to compete with each other for PPE supplies
7 nor who should not have to rely upon sport team
8 owners or players to deliver desperately needed
9 supplies. However, in as much as what we went
10 through shows a lack of leadership from the federal
11 government to use the Defense Production Act, local
12 state, cities and hospitals were unprepared. We must
13 maintain the highest standard of infection protocol
14 and reinstate longstanding CDC guidelines providing
15 the use of PPE and protecting against infectious
16 disease cases.

17 There is a proper way to use PPE including N95
18 masks. Using surge capacity or the pandemic as a
19 justification when a sudden increase in patient
20 volume occurs, it is a poor excuse to put the health
21 and safety of workers and patients at risk. Trying
22 to extend the use of PPE beyond safe usage rates or
23 burn rates is placing health care workers and public
24 at unnecessary risk.

25

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2 During the first wave, who was noted that the
3 various health systems in New York were to combine
4 and acts as one. The degree of that success may be
5 debatable but if indeed hospitals are to work
6 together as one regarding pandemics, then there
7 should be one high standard for safe and secure usage
8 of PPE.

9 As of September 30th, hospitals would at least 90
10 days PPE on hand to be in compliance with the New
11 York State requirements. Key concepts here are that
12 this is based on daily baseline burn rate of the
13 average usage for the period of April 13th through
14 the 27th , but if the PPE was being improperly
15 extended and used during this time, such as N95 masks
16 being used for 5 days as opposed to 1 day or being
17 changed after each procedure, then this data will be
18 faulty and perpetuate a shortage and improper use.

19 Second, if health care workers were intimidated
20 or afraid to ask for more or new PPE, or simply gave
21 up, then a similar problem exists. Whether it should
22 be 90 days or 180 days in the stockpile, it has to be
23 dependent upon the use of the supply chain and we
24 agree with the vetting in advance, not as it occurs,
25 not after the fact. The vetting in advance of

1 potential local businesses and vendors for the proper
2 use of their contracts and review. A lot of
3 hospitals guarded the giving out of PPE and health
4 care workers had a tough time getting them. There
5 should really only be one standard whenever a doctor
6 or other healthcare worker believes that an N95 mask
7 or other PPE is needed, they should be given that
8 PPE.
9

10 The ability of healthcare workers to speak up is
11 very important and that's why we have supported the
12 City Council legislation on protecting health care
13 workers' rights to speak out in such situations.

14 My comments today have focused largely about PPE
15 but this could also be applied to ventilators and
16 other medical equipment such as medications for
17 patients. Lastly, it our hope that by learning from
18 what we went through and working with the City
19 Council and others that we will all be better
20 prepared for when the next wave or pandemic occurs.
21 Thank you again for the opportunity to testify and
22 Doctors Council is always available to work with each
23 of you.

24 COMMITTEE COUNSEL: Thank you Mr. Collins. We
25 will next hear from Carmen Charles followed by Shaun

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2 D. Francois followed by Donald Nesbit. Carmen
3 Charles, you may begin when the Sergeant calls time.

4 SERGEANT AT ARMS: Time starts now.

5 COMMITTEE COUNSEL: Mr. Charles, are you still
6 muted? It looks like Carmen Charles is having some
7 technical difficulties, so we will try to come back
8 to her. For this next panelist, why don't we move to
9 Shaun D. Francois followed by Donald Nesbit and we
10 will try to return to Carmen Charles when she sorts
11 out the technical difficulties. Mr. Shaun D.

12 Francois, you may begin when the Sergeant calls time.

13 SERGEANT AT ARMS: Time starts now.

14 COMMITTEE COUNSEL: It looks like he is gone as
15 well. Okay, apologies. Mr. Nesbit, if you are
16 prepared, we can move to you. So, would the muter
17 please unmute Donald Nesbit and then he can begin
18 when the Sergeant calls time.

19 SERGEANT AT ARMS: Time starts now.

20 DONALD NESBIT: Yes, thank you Councilman Kallos,
21 Councilman Vallone and Councilman Cabrera and the
22 distinguished members of the New York City Council.
23 I am Donald Nesbit, Executive Vice President for
24 Local 372, the New York City Board of Education
25 Employees out of District Council 37, AFSCME.

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2 I am here today to provide testimony on behalf of
3 the approximate 24,000 members Local 372. Which I
4 represent and under the leadership of our President,
5 Shaun D. Francois I. First, I want to give an
6 applause to all essential workers, especially those
7 who are represented by Local 372, who have risked
8 their own health and safety to perform vital services
9 to the community throughout the last seven months.

10 Though the school system was closed throughout
11 much of the pandemic, nearly 9,000 School Lunch
12 Workers and 2,600 School Crossing Guards remained on
13 the job as this city was shut down. School Crossing
14 Guards remained diligent, vigilant to ensure that
15 children and pedestrians crossed the streets safely
16 in their morning and afternoons in their communities.
17 School Lunchroom employees continued to unload,
18 prepare, and serve food each day throughout this
19 pandemic. They fed students, provided food security
20 to members of the community.

21 Since the onset of the COVID-19 pandemic, over
22 200 million meals have been prepared and served to
23 students, their families, and adults and members of
24 the community. These workers continue to be placed
25 in harm's way, at risk of exposure to then the

1
2 exploding pandemic because their responsibilities
3 play an essential role in keeping the wheels of
4 society turning as our City combatted the virus.

5 And now, with schools reopened, all Local 372
6 members must assume this risk every day to ensure 1.2
7 million public school children of New York City be
8 learning ready. For example, the School Crossing
9 Guards and School Lunch Workers, the School Aids, are
10 with students all throughout the day. Various
11 Community Titles, like parent coordinators, community
12 coordinators, and our community assistance work with
13 parents to navigate the Department of Education, our
14 Substance Abuse Prevention and Intervention
15 Specialists SAPIS, work with students in mental
16 health and the prevention of substance abuse, gun
17 violence, and antibullying, as well as gang
18 prevention and mediation.

19 Family workers are also navigating the school
20 system but not only the school system, also the
21 children that are in temporary housing. The future
22 that our education provides for a child is one of the
23 most important obligations society must fulfill and
24 that is why tens of thousands of Local 372 members
25

1
2 continue to go to work and face the threats of
3 exposure and infection.

4 However, though always on the frontlines, Local
5 372 members are not always treated like essential
6 workers that they are. That is why these workers
7 need more than just applause. These workers need
8 access to assistance, benefits, and protections that
9 help them to continue safely working during this
10 state of emergency. Local 372 has been appreciative
11 of the assistance that our members have received but
12 this was after us having to purchase masks for our
13 members out of the unions expenses.

14 Now and in the future, the protections that are
15 needed are clear. The pandemic scenarios, these
16 workers need an adequate, timely, and accessible
17 supply of PPE, including masks and gloves, to
18 mitigate the risks of transmission. To the extent
19 that a special prosecutor can shed a light to
20 highlight existing inefficiencies and possible
21 improvements to the emergency contract procurement
22 process to further protect our members in the future,
23 Local 372 will be very supportive.

24 In addition, the City should also provide hazard
25 pay, as contemplated in Intro. 1918 to appropriately

1
2 compensate our essential workers for the sacrifices
3 that they have made. And with Local 372 and our
4 students now back on location, it is extremely
5 important that all of our schools are cleaned
6 regularly, with routine testing implemented to spot
7 the virus before it can spread. We are very diligent
8 in these efforts, however more support must be
9 provided from the City.

10 Especially now -

11 SERGEANT AT ARMS: Time expired.

12 DONALD NESBIT: I will be wrapping up now.

13 Especially now with cases and clusters rising up, it
14 is imperative that the City actively maintains
15 vigilance alongside us in order for schools to remain
16 a safe place to learn and work, and to prevent a
17 return to the worst days of the pandemic.

18 On behalf of the 24,000 members of Local 372, New
19 York City Board of Education employees, District
20 Council 37 AFSCME, I thank you for this opportunity
21 to testify and I will be here to answer any questions
22 you may have.

23 COMMITTEE COUNSEL: Thank you Mr. Nesbit. Next,
24 we will try again to hear from Carmen Charles
25 followed by Charmaine Lathan followed by Yin Lin.

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1
2 Carmen Charles, you may begin when the Sergeant calls
3 time.

4 SERGEANT AT ARMS: Time starts now.

5 CARMEN CHARLES: Good afternoon Chairs Kallos,
6 Vallone, Cabrera and the rest of the Committee
7 members on Contracts and Economic Development and
8 Government Operations. My name is Carmen Charles, I
9 am the President of Local 420 AFSCME, I represent
10 municipal workers within Health and Hospitals.

11 Local 420 would like to recognize the dedication
12 of all frontline workers and thank them for their
13 service and sacrifice. We dedicate this testimony to
14 the 15 members of Local 420 who passed away fighting
15 the dreadful, awful pandemic and those who continue
16 to serve today.

17 New York City has become the national model for
18 containing coronavirus because of the hard work and
19 sacrifices of the frontline workers. All frontline
20 workers are Heroes and deserve to be treated as such.
21 If Congress is listening, it is long past long time
22 overdue to make the Heroes Act the law of the land.
23 It is the least that you can do, considering what
24 frontline workers have faced and continue to face

25

1 because Washington, D.C. botched the response to
2 COVID-19.
3

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

11 In all of my years within the healthcare
12 profession, I never could have imagined encountering
13 something as insidious as COVID-19. At the onset of
14 the pandemic, the New York City H+H along with
15 hospitals across the country were caught off guard by
16 this pandemic. The lack of preparation meant Local
17 420 members had to work without the proper PPE at the
18 very beginning when medical professionals were still
19 learning how to treat this deadly disease.

20 H+H is the tip of the sword in treating New
21 Yorkers as the New York City safety net hospital
22 system and treats the most vulnerable among us. It
23 is a source of pride for Local 420 members who are
24 responsible for providing care for our neighbors,
25 friends, and family. To be a Local 420 member is to

1 understand the work is often a labor of love. It was
2 that labor of love that carried us through the very
3 worst of COVID-19.
4

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

13 My Local had to purchase additional PPE for our
14 members and I must stress, it is H+H responsibility
15 to provide its workers with the supplies they need to
16 get the job done. Some of our members and other
17 healthcare professionals had to suffer the indignity
18 of using garbage bags as makeshift surgical gowns to
19 treat COVID-19 patients. At one point, the Union had
20 to file a grievance against H+H because our members
21 had to attend to patients with only surgical masks
22 because the hospitals wanted to reserve the N95 masks
23 for the doctors and nurses. My members are a part of
24 the healthcare team and they should not be treated as
25 second class citizens.

1
2 It was appalling to hear of such wanton
3 disregard for the lives of Local 420 members. It
4 literally signaled to me and my members that our
5 lives were worth less than those of the doctors and
6 nurses. We quickly put a stop to that action for the
7 rest of the pandemic, all of Local 420 members who
8 treat COVID-19 patients receive the same PPE as the
9 healthcare professionals.

10 At the onset of the pandemic, my members were
11 beyond terrified. In addition, to the lack of
12 adequate levels of PPE, H+H failed to provide the
13 consistent -

14 SERGEANT AT ARMS: Time expired.

15 CARMEN CHARLES: Okay, I will wrap up. Local
16 420 leadership spent that time going from hospital to
17 hospital reassuring our members that they would
18 receive the support and that the city most vulnerable
19 among us will get the care that they need. Part of
20 the reason that we have lost so many Americans to
21 COVID-19 is because we have been reactive in our
22 response rather than proactive. Prior to the
23 pandemic, we lacked the necessary PPE to protect
24 frontline workers and the general public.

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2 As a matter of course, we must work toward
3 stockpiling these materials if there is supposed to
4 be a second wave. In addition, to strategic
5 stockpiling, the City should implement a contingency
6 plan for all New Yorkers to socially distance. All
7 New Yorkers should be able to shift to remote work,
8 school and other activities seamlessly which will
9 help us stop the spread of future pandemics.

10 In conclusion, I want to thank the Chair
11 Councilman Kallos. I want to thank Local 420 members
12 and all New Yorkers essential workers for the great
13 job that they provided during this pandemic. Thank
14 you so much.

15 CHAIRPERSON KALLOS: Thank you. I would like to
16 jump in with question before the next person is
17 brought together. I want to thank my brothers and
18 sisters and also in particular Carmen Charles
19 President of Local 420. It was at a meeting with her
20 and her executive board that I really hit home and
21 understood how important this hearing was and spurred
22 me to make sure that we reached out to as many of our
23 brothers and sisters as possible.

24 I want to also just thank all the frontline
25 workers who sacrificed their lives to save the lives

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1
2 of others and we can and must do better as a city. I
3 want to just I guess start with President Charles. I
4 am just sorry for the members you lost. It was wrong
5 that your members did not receive PPE's. Your
6 members are not trash; they should not have been
7 forced to wear garbage bags and they should never
8 have been put in a place where they were attending to
9 patients without a N95 masks. What access does your
10 union – now that you know we have 13.5 million N95
11 masks in the stockpile, what access is the city
12 giving for you and your members to have access and
13 what types of equipment should people who are in H+H
14 facilities have to N95 and other protective
15 equipment?

16 CARMEN CHARLES: I have no doubt that the
17 hospital, they now have the stockpile of PPE but
18 again, they are rationing the supply and that what my
19 members are told, the CDC guideline is not for the
20 type of the Local 420 represent. But let me just
21 paint the picture for you. While the doctors and
22 nurses may be in the patients room for a certain
23 amount of time, my members are the ones that are
24 spending the most amount of time in the room because
25 for example, a health cleaning aid that has to clean

1 the room, is not going to clean it in 10 minutes or
2 15 minutes. And so, that exposes longer to the virus
3 because they are in the room longer and for them to
4 just be given a surgical mask is an insult. It is an
5 insult and it degrades, it demoralizes the members
6 for the work that they are doing.
7

8 I had a Director of Nursing tell me, well, your
9 members are not that essential. They are part of the
10 health care team and every member in the health care
11 facility is essential.

12 CHAIRPERSON KALLOS: You are right. Chair
13 Cabrera.

14 CHAIRPERSON CABRERA: Thank you so much Co-
15 Chair. To quick questions for the doctors and
16 nursing association. You don't notice that there is
17 a mask that is available that literally covers the
18 entire face. It is like a mask that is used for
19 swimming and has a cone at the top. It seems to me
20 that that is the most effective and the most cost
21 effective way of going in into a room where
22 potentially they could be exposed to COVID-19. What
23 are your thoughts on that particular mask? It would
24 seem to me that the only part that they just need the
25 N95 cloth is in the top which is the small piece.

1
2 They have been selling them on television. I mean,
3 it just seems to me and info commercials and social
4 media. I mean, they are not heard to get. Any
5 feedback regarding that?

6 JUDY SHERIDAN-GONZALEZ: I can answer that. I
7 mean there is two types of other kinds of reusable
8 materials. One I think you are talking about, the
9 cone one which is called a PAPAPR Purified Air
10 Personal Air Purified Respirator. It is expensive,
11 it costs several hundred dollars. The best thing it
12 doesn't harm you at all physically and it is very
13 protective. It uses kind of a little tank to help
14 you. But the one we are talking about is far
15 cheaper. The Elastomeric only costs between \$20 and
16 \$40. There is a full face one that covers; all you
17 would need is a head bonnet and that's the one we are
18 talking about. It is a lot cheaper because obviously
19 money matters and it is very effective. It doesn't
20 cause the same abrasions and it certainly is much
21 more effective and it is reusable. So, we are not
22 dealing with the environmental problems or the supply
23 problems.

24 It would be personally applied to each person
25 and it fit tests and they use it themselves. It is

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1 much safer. It is much better and you can use it; it
2 is designed to be worn for long periods of time. Of
3 course, we love the PAPAPR's, but they are very
4 expensive and so, we are proposing something that is
5 far cheaper. Cheaper even than using so many N95's
6 and that would be the elastomeric. They have full
7 face ones as well.

9 CHAIRPERSON CABRERA: So, when you approach H&H
10 and the City, what kind of feedback did they have
11 regarding your request for this type of mask?

12 JUDY SHERIDAN-GONZALEZ: Well, you know, each
13 hospital in the private - I work in the private
14 sector and we have appealed to them. Some of the
15 hospitals in the private sector in Brooklyn have
16 agreed to and so has my hospital now and others to
17 use the NYASH pilot. So, we think it is something
18 that the City should adopt because it is cheaper, it
19 is better and as we said, we could actually retool
20 factories and produce them here and provide jobs for
21 people.

22 CHAIRPERSON CABRERA: Fantastic and my last
23 question was to Donald Nesbit. As a former sport
24 counselor, myself, working in public schools, what is
25 the current state of your members? Are they getting

1 what they are requesting in terms of the PPE's? And
2 are they getting enough replacements?

3 DONALD NESBIT: So, currently at this time, yes
4 our managers have options of ordering. That wasn't
5 the case at the beginning of the pandemic for about
6 say three weeks to a month. The union went out and
7 purchased 40,000 masks for those who were on the
8 frontlines because it was taking way too long and
9 people were being exposed.
10

11 But right now, I believe they got the message
12 with constant communication and fighting and we
13 actually told them that we weren't going to stop
14 emailing them, we weren't going to stop putting the
15 pressure. So, I think the DOE has the message now.
16 There is supposed to be a 90 day supply that's in
17 house at every school. So, I think now it is much
18 better than it was but I think, if we are talking
19 about a second wave, we need to be ahead of the curve
20 rather than more responsive than reactive when things
21 happen.

22 CHAIRPERSON CABRERA: Absolutely and please keep
23 us posted as things evolve. If we can be of any help
24 and be a voice for you, we want to be there. Thank
25 you so much. Let me turn it back to Chair Kallos.

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2 CHAIRPERSON KALLOS: Just I want to follow up
3 with Carmen Charles during the testimony, I asked the
4 Administration about whether or not they would
5 provide N95 masks to people who for whatever reason
6 felt that they needed one and they offered to let
7 people buy them themselves. Is that the right
8 response that we should be hearing from any employer
9 in the City?

10 CARMEN CHARLES: Absolutely not. My members are
11 some of the lowest paid in H+H and they should not be
12 going into their pockets. In fact, the local had to
13 purchase PPE to give to all the members and that's
14 the not the role of the union, but in order to
15 alleviate the fear and I don't have to tell you about
16 how fearful people were. You know, and so, I don't
17 think that the members need to be going into their
18 pockets to buy supplies that management - it is
19 managements responsibility to provide it to them.
20 And let me just say this Mr. Chair, two nursing
21 homes, long term care, that's the Susan Smith
22 McKinney in Brooklyn. I had to go over there twice
23 to deliver supplies to my members and Roosevelt
24 Island which I know it is part of your district.

25

1
2 They are the two worst abusers of not giving our
3 members PPE.

4 CHAIRPERSON KALLOS: And as folks talk about the
5 racist impact of coronavirus on Black and Brown
6 communities, what is the makeup, what is the racial
7 demographics of your members, President Charles?

8 CARMEN CHARLES: Honestly, 99.9 percent Black
9 and Brown.

10 CHAIRPERSON KALLOS: Thank you. If there is -
11 we have used this hearing as an opportunity to call
12 attention to what you and your members are facing if
13 there is anymore that I or my Co-Chairs can do for
14 you, please do not hesitate and we will be there
15 with you and I guess, I want to expand it to
16 everybody else but just across the board for DC37
17 NYSNA for Local 420, it sounds like all of you have
18 purchased PPE for your members. Did any of you get
19 reimbursement from the City or the money that you
20 purchased for the members?

21 CARMEN CHARLES: Yeah right.

22 JUDY SERIDAN-GONZALEZ: No.

23 CHAIRPERSON KALLOS: To the extent I would be
24 interested to see how much you spent and I would be
25 interested in delivering a bill to the city for those

1
2 amounts. I want to thank Chair Cabrera for a lot of
3 the questions there.

4 So, President Sheridan-Gonzalez, we brought this
5 up to the Administration that came here, perhaps a
6 little bit more ready. They have now said they are
7 open to it. You shared you had a number of locations
8 that you and your members are actually able to get
9 programs going. They cited issues with fit testing,
10 so I guess, are you prepared to have all of your
11 nurses who will wear these masks fit tested. They
12 cited questions about cleaning, are you prepared or
13 are your members already trained on how to clean
14 these properly and they cited costs, how many N95
15 masks does a nurse go through in a regular shift
16 versus how many of these would they go through in a
17 shift?

18 JUDY SHERIDAN-GONZALEZ: So, let me try to
19 remember in order. So, we have some nurses,
20 fortunately for our members the has some more
21 resources than our brothers and sisters who were in
22 housekeeping and other areas and we have members that
23 paid \$1,000 of their own money to purchase this exact
24 equipment. Not just the elastomeric's but PAPAPR's
25 and Tyvek suits and all the things that they needed

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2 and what we did when we recognized that they were so
3 abusive to the housekeeping staff and the other
4 staff, we rationed equipment so that we could provide
5 the N95's to our staff that was not being given them.

6 So, there was an incredible collective response
7 of comradery among the workers in helping to take
8 care of each other. Those who are less fortunate
9 than others. In addition, we got a lot of donations
10 of a variety of equipment. So, of course people are
11 absolutely willing to clean their own equipment.
12 They were doing it anyway to protect themselves. We
13 heard about elastomeric's because some of our work -
14 we saw the doctors wearing them. They had used
15 faculty funds to buy them and while we are standing
16 there with these used mucousy N-95's.

17 So, yes, we know how to clean them. They can be
18 fit tested; they are much easier to be fit tested.
19 There is just two sizes and they are all adjustable.
20 So, they are easy to fit tested, they can be fit
21 tested, they can be cleaned, we already have
22 experience doing it. They can last for years. The
23 only thing that have to be replaced are the filters.
24 The filters can be replaced after I think 90-days and

25

1 they are pretty cheap, so I think I answered all your
2 questions.
3

4 CHAIRPERSON KALLOS: How many masks does a nurse
5 go through in a shift? I don't know if Doctors
6 Council is still available but these are still for
7 them to but how many N95 masks is the protocol for a
8 nurse to go through in a shift versus, it sounds like
9 this mask can last 90 days, so I guess what is -

10 JUDY SHERIDAN-GONZALEZ: No, no, the mask can
11 last for years. It is the filters that just have to
12 be changed for every period.

13 CHAIRPERSON KALLOS: So, it is \$20, \$30 for one
14 of these elastomers, how many N95's does somebody go
15 through in a day between patients.

16 JUDY SHERIDAN-GONZALEZ: If you were going to
17 follow the correct protocols, you could go through 8,
18 9, 12 of them but right now, people are just going
19 through a few, maybe 3 or 4 if they have the
20 equipment there but a lot of people are being told
21 even though they say, oh, you can have one whenever
22 you need it, that's not true. People are intimidated
23 out of asking for the appropriate amount.

24 If you are spending a lot of time with a patient
25 with a lot of secretions and you are in a room with

1
2 that patient, you really have to change it because
3 COVID is not only airborne and droplet; it is also
4 contact. As you know, we are using gel like crazy,
5 so you can get the mask soiled. We wear these
6 surgical masks over them but the surgical masks can
7 also slip down.

8 So, if you were using properly; we use many
9 during the day. Very often we are skimping because
10 we are just not sure if we will have the right
11 equipment.

12 CHAIRPERSON KALLOS: So, you are testifying
13 today that despite testimony the contrary rationing
14 is still occurring.

15 JUDY SHERIDAN-GONZALEZ: Yes.

16 CHAIRPERSON KALLOS: Thank you and for Donald
17 Nesbit at DC37, I know you have a large constituency.
18 I know that Local 372 members were in kitchens that
19 are over 100 degrees cooking meals for millions of
20 hungry New Yorkers. They were literally upfront with
21 people less than six feet away from them, wearing
22 masks, not wearing masks, what type of PPE would you
23 like to see for a lunch worker in a kitchen over 100
24 degrees where it can already be difficult to breath
25 and there is already issues with that? And then

1
2 also, for a worker in the case of perhaps even a
3 shutdown or even SAPIS workers who may be in a
4 confined environment. What kind of equipment do you
5 want for those members who are going to be
6 interacting members of the public or children who may
7 not be wearing masks and may have coronavirus?

8 DONALD NESBIT: Well we like the most safest
9 masks that can be provided to them. Like, sister
10 Charles and Nurses Association, the masks are, even
11 though at some point they begin to get it right, we
12 are also rationing out what they gave our members.
13 It was like, you get one and then we are going to
14 hide the rest and that shouldn't be. I has to pose
15 the question, if it drops off, if it drops on the
16 floor while you are preparing food, the same as with
17 a hairnet or a glove or anything else, we replace it.
18 We get a different set.

19 So, it was a whole lot of rationing and a whole
20 lot of fighting and I hope the City Council can do
21 something to ensure that we are safe. The
22 ventilation issues in our kitchen are certainly
23 there. N95's would be more sufficient. I know they
24 were harder to get, so we needed something for our
25

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1
2 members to be safe but we ask that the most safest
3 masks that the city can provide to them be provided.

4 I know in some schools now with more kids and
5 staff coming back and more people in the schools, in
6 some cases, they have given them shields to go over
7 the masks, but the shields, I heard a report just
8 this week that I need to follow up on but they gave
9 one mask out for every employee in the kitchen.

10 So, there was 1 shield for 15 employees. That's
11 just unacceptable. Either you are going to give it
12 or you are not, right. That's unacceptable for
13 everyone to be sharing 1 shield. So, those are some
14 of the things that we are actually facing in the
15 school kitchens and we just hope that the Council can
16 actually intervene and look into some of these and
17 that a special inspector can actually make sure that
18 everyone is safe, like our brothers and sisters
19 everywhere else.

20 CHAIRPERSON KALLOS: Given the rationing and
21 given doctors council's testimony regarding concerns
22 about the number, I don't know if you have a gut
23 reaction, it took us this many months to find out
24 what the stockpiles are, they are talking about 13.5
25 million N95 masks. They are not willing to share a

1 number on the number of elastomer. I think their
2 number is probably zero at this point. Is 13.5 N95
3 masks enough and then similarly, if you don't have an
4 answer right now because you are right on the spot,
5 would you be willing to come back within 72 hours for
6 the record to let us know what you think the correct
7 for the stockpile is? President Sheridan-Gonzalez.

9 JUDY SHERIDAN-GONZALEZ: Oh, I wasn't sure who
10 you were asking that question to.

11 CHAIRPERSON KALLOS: All of you.

12 JUDY SHERIDAN-GONZALEZ: You know, I mean, we
13 have to look at that. I think you know; the problem
14 is when you have disposable items you run into
15 hoarding. I mean, it's unavoidable, individuals can
16 hoard because they are afraid they won't have one
17 tomorrow. Maybe I will reuse mine today and save it.
18 I did that in the beginning. I had all these masks
19 drying out on clotheslines you know, because we just
20 weren't sure we were going to get another one.

21 So, you run the risk of hoarding and improper
22 use. When you have something that can be reused and
23 that you are personally responsible for because I
24 think we care mostly about ourselves, protecting
25 ourselves, we have more confidence in our ability to

1 do that than our employers, I think you do much
2 better.
3

4 As far as kitchen workers and others who are not
5 in direct contact of patients, I think that they,
6 especially if you are in a hot environment, I think
7 that's where ventilation is really important and then
8 those masks, the other masks like the lighter ones
9 can be used to protect them and if they have better
10 ventilation, they are not directly in contact with
11 sick patients, I think they can be protected as well.

12 But ventilation is a big issue that we can't
13 ignore. There are HEPA filters, there is negative
14 pressures waste, there is exhaust waste of getting
15 rid of air in an area which is why when we are
16 outside it doesn't affect us as much. I think those
17 things really need to be looked at in particular,
18 people should not be working in such hot conditions
19 ever, whether there is COVID or not COVID, nobody
20 should be subjected to that kind of a temperature to
21 take care of somebody.

22 CHAIRPERSON KALLOS: I couldn't agree more. I
23 want to excuse this panel. Thank you for everything
24 that your members have done and will continue.
25

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2 COMMITTEE COUNSEL: Thank you Chairs. We will
3 next here from Charmaine Lathan followed by Yin Lin
4 and then Steven C. Miller. Charmaine Lathan, you may
5 begin when the Sergeants call time.

6 SERGEANT AT ARMS: Time starts now.

7 CHARMAINE LATHAN: Hi, my name is Charmaine
8 Lathan, good afternoon Chair Kallos and members of
9 the Committee. I am a security guard at a homeless
10 shelter located at the Holiday Inn MSG on West 29th
11 Street. I started working there right as the COVID-
12 19 pandemic was hit in New York City, about 7-8
13 months ago.

14 I am here to just talk about the conditions me
15 and my colleagues had to go through with the PPE for
16 months. While watching family, friends, coworkers,
17 and shelter clients get sick and even some die from
18 the COVID. Knowing that as we are essential workers
19 we had no choice but to continue showing up to work
20 and we had limited PPE for ourselves. Sometimes when
21 I would get paid, I would spend \$60 to \$80 out of my
22 check every two weeks to make sure that we had. So,
23 I would buy like Lysol wipes and the gloves and masks
24 and things like that to make sure that we had enough
25 PPE in order to protect ourselves. As well as try to

1
2 also make sure that our residents and guests that
3 come into the hotel is safe and secure.

4 Our residents and us were one of the issues
5 because a lot of our residents didn't have - you
6 know, so we had to actually have for them as well
7 sometimes. You know, to give them a mask here, some
8 gloves there you know, things like that. I have been
9 working there now eight months and I mean; it has
10 gotten better but in the beginning we didn't know
11 what to do. You know, we had masks, we had to save -
12 they were like, oh, hold that for tomorrow you got to
13 use that mask tomorrow. I am like, well, why you
14 know, don't we have more masks. They were like, oh,
15 no, they are gone now. We don't have anymore. I am
16 like, what? You know, and just had to like, we
17 started worry about whether things were going to get
18 better or worse.

19 During the real height of the pandemic, a lot of
20 people I seen, I felt like a lot of people wasn't
21 taking it too seriously and I was like, you know,
22 this is a serious thing going on. You all can't just
23 take it nonchalant walking around with no masks.
24 They ask for you to have on a mask, you need to have
25 on a mask, you know.

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2 Now, we have masks but now I am just concerned
3 because with the height of another pandemic, they say
4 that might just start to really flare up again but
5 worse than the first time, it is just the real
6 concern that now we have to start all over with the
7 PPE. Not having enough, you know, with us showing up
8 to work everyday being on time. You know, having to
9 buy our own supplies again. It is just a real
10 concern for us. So, we are just trying to hope that
11 you know we can get help to make sure that we have
12 enough PPE for us and our residents.

13 You know, we have the resident, we have a family
14 shelter with the residents and their children, so we
15 try to make sure that them and their children are
16 safe and secure. We had a family that had to
17 quarantine for the 14 days and you know, we had to
18 still you know, walk around but they was like, half
19 of the family was like nonchalant about it and we was
20 like, no, no, no, no, no. You can't come out of your
21 room, you have to quarantine for the full 14 days,
22 you know. And then they started to listen and they
23 actually quarantined and everything got better you
24 know, but we had to wait for them to come with a

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2 doctors note to be like, okay, everything is good and
3 we are okay.

4 But it is just a real concern because everybody
5 is concerned now with the possibility of a new height
6 of the pandemic and how would we make sure that we
7 have enough PPE, gloves, sanitizer, wipes, you know,
8 to make sure that we are sanitizing everything down
9 for each shift, which each shift coming in you know
10 to do their job and get their work done, you know.
11 So, we are just real concerned about that.

12 COMMITTEE COUNSEL: Thank you Ms. Lathan.
13 Seeing no hands raised from the members, I am going
14 to move onto the next panelist. The next panelist
15 will be Lin Yin followed by Dr. Steven C. Miller
16 followed by Theo Chino. Lin Yin, you may begin when
17 the Sergeants call time.

18 SERGEANT AT ARMS: Time starts now.

19 LIN YIN: Good afternoon Chairs Cabrera, Kallos
20 and Vallone and members of the Committees on
21 Governmental Operations, Contracts and Economic
22 Development. My name is Lin Yin and I am a Founder
23 and Managing partner of Zoran Medical. Zoran is a
24 New York City base medical supply company and
25 distributor of personal protective equipment. Zoran

1
2 is a minority and women owned company with an
3 application for certification as such pending with
4 the New York City Department of Small Business
5 Services.

6 When the COVID-19 pandemic struck America in the
7 early 2020 and New York City became the epicenter of
8 the pandemic. My partners and I quickly leveraged
9 our prior business relationships and personal
10 networks and established Zoran to bring PPE to
11 frontline workers as soon as possible.

12 Since March of 2020, Zoran has been on the
13 ground cultivating unparallel supply chain
14 relationships and logistical resources to distinguish
15 Zoran as an expert PPE supply company. Currently,
16 Zoran is operating across the United States in nearly
17 ten states on both the east and west coast, as well
18 as the south and mid-west regions. Zoran has
19 supplied over 20 million units of PPE to state
20 governments in partnerships with vendors to the state
21 of Tennessee, the State of Maryland and the State of
22 Georgia, as well as to over 1,000 purchasers both
23 directly and in partnership with trusted vendors.

24 Of those, Zoran has had success in sourcing PPE
25 for governments and other jurisdictions. The process

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2 for supplying government in its home city and state
3 has been more difficult to navigate. For this
4 reason, we commend the committee for their
5 consideration of the legislation that is on today's
6 agenda. Proposed Intro. Number 1980-A, establishing
7 a special inspector within the DOI to review
8 contracts that would enter into in response to the
9 2019 novel coronavirus. And providing for the repeal
10 of such provisions upon the expiration thereof.

11 Despite repeated attempts to demonstrate its PPE
12 product offerings and competitive pricing terms to
13 various government purchasers in New York, Zoran has
14 not been able to supply the New York City government.
15 In fact, it has not been even clear to us what types
16 of PPE the city needs when and in what quantity. All
17 procurement that the city has done has been on an
18 emergency basis and publication of procurement awards
19 have only listed the vendor and total purchase price.
20 Sometimes these published awards have listed the type
21 of PPE but never the amount purchased. Although some
22 of Zoran's PPE product supplies are produced locally,
23 many are produced overseas. Unlike many of its
24 competitors, Zoran operates on a transparent basis
25 with its customers, fully disclosing its acquisition

1 cost and delivery costs. The market for PPE
2 fluctuates, sometimes very rapidly, based upon supply
3 and demand and the time it takes for a purchaser to
4 close a deal.
5

6 For these reasons, it is easier and results in
7 greater saving for the purchaser if that is known in
8 advance, instead of trying to procure PPE on demand.
9 The method that the city has decided to go to seems
10 to utilize the ladder, offering very little
11 information about what its future needs are and
12 instead of trying to identify sources of PPE and
13 pricing which may not be firm for future acquisition.

14 I would also like to point out that Zoran has
15 the financing resources to provide the city's terms
16 to enable payment upon inspection of the product,
17 which will allow the city to mitigate supply chain
18 risks. Despite these challenges, Zoran has been able
19 to successfully supply leading New York City
20 nonprofits, including AHRC, Public Health Solutions,
21 the Transit Workers Union and our own COVID-19 task
22 force.

23 Today, Zoran is a direct distributor for U.S.
24 base manufacturer of PPE. Most recently, New York
25 States very own [inaudible 1:53:01] which specializes

1
2 in the N95 masks. We will be making a 50,000 mask
3 donation to Long Island Cares with the N95 masks next
4 week. Additionally, Zoran is a direct distributor
5 for N95 masks factor in California and Florida, as
6 well as the surgical three ply masks manufacturer in
7 upstate New York.

8 As one of the few New York City based M/WBE PPE
9 suppliers, Zoran remains ready to meet NYC's
10 procurement needs by providing superior products at
11 competitive costs. I am happy to answer any
12 questions you may have.

13 CHAIRPERSON KALLOS: Council Member Kallos here.
14 So, you heard the city talk about the fact that they
15 only hit their 14 percent goal instead of a 30
16 percent goals. I am personally familiar with some of
17 the challenges you were dealing with but what does
18 the city need to – from everything you testified, you
19 are doing business with some pretty major players of
20 other states. What is New York City doing wrong that
21 I think you said Georgia is doing right?

22 LIN YIN: Yeah, I mean, I think it's a matter of
23 allowing those opportunities made available to all
24 M/WBE's and being transparent about what are their
25 needs and events, so that we can prepare for them.

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2 So, it's not to buy on demand which is the worst
3 method of buying PPE.

4 CHAIRPERSON KALLOS: Thank you and so, if we had
5 a magic wand, if there is one thing we could do to
6 increase access for M/WBE's to the PPE procurement,
7 what would it be?

8 LIN YIN: I think its to open up a portal
9 whereby M/WBE's are accessing these contracts in
10 advance of other contractors, especially since we are
11 far below the quota that we aim to be at as a city of
12 30 percent. If we provide those opportunities first
13 to M/WBE, that would in any event fulfill those
14 contracts and be able to fulfill the needs of the
15 city.

16 CHAIRPERSON KALLOS: Thank you.

17 LIN YIN: Thanks.

18 COMMITTEE COUNSEL: Thank you Lin Yin. Next, we
19 will hear from Dr. Steven C. Miller followed by Theo
20 Chino. As a reminder to anybody who wishes to
21 testify who has not been called, please use the Zoom
22 raise hand function and you will be called upon in
23 the order that you raised your hand. Dr. Miller, you
24 may begin when the Sergeant calls time.

25 SERGEANT AT ARMS: Time starts now.

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STEVEN C. MILLER: Thank you so much to the City Council for giving me an opportunity to speak to you today. My name is Steven Miller, I am a Fellow in Pulmonary and Critical Care at Brooklyn Hospital Center. In the Spring, when the pandemic hit I was the House Staff President and delicate for the Committee of Interns and Residents. It is a union that represents 17,000 house staff across the nation. It is the largest house staff union in the country.

And in the Spring, the winter and the Spring of 2020, as I am sure you are aware, we basically worked through a living nightmare every day. People came to our door sick and dying and we had to wait through the masses of sick and dying people without adequate protection that our staff needed.

You know, to speak to President Charles's statement about wearing trash bags, I saw nurses wearing trash bags over their heads because they didn't have adequate respiratory protection to go into rooms with COVID patients and it is clear actually from listening to the statements that were made during this meeting. The testimonies about the levels of PPE that the city is planning to procure that there are still plans to ration PPE for patient

1 encounters because even 3.5 or even 13.5 million
2 N95's wouldn't be adequate to use as an individual
3 use, a single use case for this PPE.
4

5 Meaning, if you are talking about holding 167
6 million pairs of nitrile glove but only 13.5 million
7 masks, then you can see right there that you are
8 anticipating that although you would not want me to
9 wear a pair of gloves for multiple patient
10 encounters, that you would expect that I could wear
11 an N95 the same way.

12 So, when this was starting to come across the
13 globe back in January and February, I was paying
14 pretty keen attention to what was going on in other
15 countries, China and Spain and Italy and I saw videos
16 of how Chinese hospitals were managing their COVID
17 patients and they were all wearing PAPAPR's, those
18 powered air purifying respirators or reusables like
19 elastomeric's and they were covered head to toe.
20 Absolutely everybody was covered and they were
21 meticulous in their use of their PPE and had
22 [inaudible 1:55:57] stations and they have all these
23 resources. A lot of the resources that we rely upon
24 for our hospitals are made in Wuhan China. Actually,
25

1 most of our masks and all of our equipment are made
2 there.

3
4 So, they have access, so I can understand that
5 but when they got sick, they shut down their
6 production and the rest of the world felt that and it
7 was just weeks later that I noticed that Spain and
8 Italy have run out of masks and they were seeing
9 patients without them. Because you can't just decide
10 to stop treating people because you don't have the
11 necessary equipment to protect yourself. So, they
12 had doctors and nurses and techs and people who
13 cleaned hospitals there just dying from COVID because
14 they couldn't be protected. And I knew that that was
15 a situation that was going to be visiting the U.S. in
16 short order.

17 So, I went online actually and bought myself a
18 reusable elastomeric. I got myself a full face mask
19 because I recognized that this virus is tiny. It can
20 get in through your eyes and that is a respiratory
21 pandemic, so respiratory protection would be
22 paramount.

23 So, I ordered a mask on Amazon actually and
24 bought it at the end of February and I started using
25 it right away. Since February, I have worked 25 days

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of the month every single month, 10 to 14 hours a day and I have not used a single N95 in that entire period. I recognized very early that to be reusing these green N95's was a silly proposition. They are not built for that; they are meant to be used for 10 or 15 minutes at a time and disposed of immediately. The thought of taking one from one patient room to another is something that had never been contemplated before in a hospital system. But we usually use those masks for tuberculosis patients and they are not really given out freely in other cases.

So, the idea that you would leave the room of somebody who had tuberculosis and then walk around the hospital with that same mask, which potentially trapped a bunch of tuberculosis on it, you could possibly be spreading that through the hospital. Nobody would ever stand for that but yet with COVID, that was we were asking people to do.

So, as long as we were going to be reusing PPE, I realized we needed to have reusable PPE. So, I started a campaign to outfit everybody in my hospital with elastomeric masks.

SERGEANT AT ARMS: Time expired.

2 STEVEN C. MILLER: Yeah, I am sorry, my time is
3 over, if you don't mind I would like to continue.

4 We got masks for all 273 residents and fellows
5 using some funds that I was able to get from the
6 hospital and I also worked with a bunch of local
7 organizations to try and get masks for everybody who
8 worked in the hospital including all the nurses,
9 techs, the house staff, everybody who worked here.
10 And so, here we've got 600 masks to cover the 2,700
11 people who work in our hospital. There is 1,000
12 clinical staff and we are working to get another 400
13 now, but once you have one of these masks, you don't
14 need to wear an N95 anymore and that's got to be
15 saving a huge amount of money.

16 If you just figured there is 62 hospitals in New
17 York City and about 500 clinical staff work each day
18 and if each one of them sees 10 patients and there is
19 30 days in a month, that's 9 million masks every
20 single month that you would have to be accounting
21 for.

22 So, there is no way that 13.5 million masks is
23 going to cover you guys for 90 days. It is just not
24 going to work, that math doesn't work. But with one
25 of these masks, and Mr. Cabrera had one, I don't know

1 if you can see that. These reusable face masks, they
2 come with the filters on top and I spoke with 3M on
3 the phone during the peak of the pandemic because
4 nobody had any guidance about how to use these in
5 such case. They weren't really ever designed for
6 that but they just told me that if you have 5 sets of
7 filters and you just use one each day and five day
8 rotation, you never need to dispose of them ever.
9 They can be used indefinitely. All you have to do is
10 have five sets of these and one mask and you can be
11 covered forever and all you do is you take off this,
12 set it aside for five days, put on the next set, set
13 that one aside the next day, you just keep rotating
14 it in a five day series and you will never need to
15 replace these.

17 And so, that's how I have gotten through the
18 pandemic and I have had success getting other people
19 through the same way. The cost for one of these
20 masks is a little bit more but the ones that we have
21 been fitting our staff with are these half masks and
22 these are about 30 bucks a piece and \$30, \$35 per
23 person will get you respiratory protection for the
24 next three years, which may be how long this pandemic
25 lasts for, we don't even know. Even once people have

1 antibodies, we are still seeing people getting
2 reinfected.

3
4 CHAIRPERSON KALLOS: Thank you and how do you
5 wipe the outside of that mask after you come into
6 contact with a patient?

7 STEVEN C. MILLER: Yeah, I am glad you mentioned
8 that. So, while I had opportunities to gather some
9 props for my presentation while you guys were talking
10 today.

11 So, this is chlorhexidine alcohol wipe, it is a
12 pretty simple device. I think there is about 1,000
13 of them in one of these boxes and we use these to
14 clean everything in the hospital. And so, basically
15 what you do is if you are wearing the mask, you just
16 have a pair of clean gloves on, take out one of these
17 and you just wipe it. That's it, it is really
18 simple. You can wipe the whole mask. The only thing
19 you can't wipe is the filtration service. This
20 little pad in here, that's what catching all the
21 virus. You don't want to get that wet but otherwise,
22 you use this to clean everything else and you just
23 leave that alone and then, you just hang it up and
24 you can wear it all day long.

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2 CHAIRPERSON KALLOS: You change that filter once
3 every 90 days?

4 STEVEN C. MILLER: No, the filters last forever.

5 CHAIRPERSON KALLOS: Okay.

6 STEVEN C. MILLER: You just need five sets and
7 so what you do on day of the week you use this one
8 and then you set it aside for day two. You put on a
9 new one, set that one aside. Day three, you put a
10 new one on, day four, new one, day five new one -

11 CHAIRPERSON KALLOS: You are changing just the
12 filters.

13 STEVEN C. MILLER: And then you go back to the
14 first one you used the first day of the week and you
15 put that one back on and you just use it in five day
16 rotations over and over and over again. 3M says they
17 never need to be discarded. They can't be used up in
18 this space.

19 CHAIRPERSON KALLOS: Thank you very much for
20 your testimony.

21 CHAIRPERSON VALLONE: Thank you doc.

22 COMMITTEE COUNSEL: Thank you Dr. Miller. Our
23 last panelist will be Theo Chino. Again, a reminder
24 for everybody else who may still be interested in
25 testifying and you have not heard your name called

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2 and you wish to testify, please use the Zoom raise
3 hand function. Mr. Chino, you may begin when the
4 Sergeant calls time.

5 SERGEANT AT ARMS: Time starts now.

6 THEO CHINO: Hello yes, Councilman Kallos. Can
7 I get my camera on please.

8 CHAIRPERSON KALLOS: Yes.

9 THEO CHINO: Wonderful. Sergeant at Arms, I
10 mean, I am trying to get my camera on.

11 COMMITTEE COUNSEL: Will the Sergeants please
12 turn on Mr. Chino's camera.

13 THEO CHINO: Thank you, how are you doing? I am
14 going to be quick. I feel this Bill is wonderful in
15 practice but it is one more band aid that New York
16 City is adding to its repertoire of useless Bill
17 which include technology. Where we heard the DOI, I
18 mean, when it comes to contracting, billions and
19 billions of dollars are appropriated for one rezoning
20 - here the question is about to talk about the
21 technological part of the bill.

22 First of all, we have a commission on public
23 information and communication. That is run by
24 Jumaane Williams, that's his job to deal with this
25 kind of thing in a way to look at where the data,

1
2 technology and the use of the technology and the
3 public information that goes into those database is
4 managed. So, why do we need to have a Bill given to
5 the DOI?

6 The second part is that DOI has been, as you
7 know, has been going committee to committee to
8 complain about the lack of oversight within the HPD
9 housing market stock. So, if we cannot figure out
10 how to deal with simple things that our buildings
11 grounded in the earth and figure out which building
12 are misappropriated, how are we going to do with
13 contract? The DOI cannot figure out if a building is
14 legally owned by a certain entity. Now you are
15 talking about a piece of paper with a signature that
16 will disappear and we will never know.

17 So, I feel that this Bill, this kind of Bill
18 where we say, we need to build a database, we need to
19 give it to an entity. We need to give it to people
20 who are not even trained to do that job because
21 Computer Engineer and people who deal with that, they
22 are 0.3 percent of the population who deal with that.
23 That mean out of 3 billion active local force,
24 working force, only 9 million around the world are
25 able to program database.

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2 That means New York doesn't have the staff to
3 deal with that. So, I feel that we need to look at
4 all these kinds of bills in a different way to make
5 sure that the population of New York is served
6 correctly and try to stop adding technological stop
7 gap into fixing problem of information. That
8 transparency needs to be given to the DOITT. The
9 think is the DOITT needs to give it to the Commission
10 of Public Information to make sure it follows ethical
11 guidelines and then the public can deal with it and
12 people like union people who say, oh, we have a
13 problem, they can go get that data and analyze it
14 faster than anyone can do it.

15 So, why give to an agency that is the DOI who is
16 incapable of figuring out billions of dollars within
17 HPD, the housing problem, why are we giving them more
18 work to do that they are incapable of doing?

19 So, let's fix this thing in a decent way. Let's
20 start looking at things from the ground up and I know
21 Councilman Kallos, you are a very good
22 technologically, so let's do that. Let's start
23 looking at this outside the box. I know we are
24 capable of doing that and I yield the remainder of my
25

1 time because if you have any questions or anything.

2 Thanks.

3
4 COMMITTEE COUNSEL: Thank you Mr. Chino. I will
5 now turn it back to Chair Kallos.

6 CHAIRPERSON KALLOS: Thank you Mr. Chino for
7 your testimony. As you saw, I asked specific
8 questions related to concerns that were brought up at
9 First Friday of the Commissioner and we do have a
10 path forward. I want to thank our Committee staff; I
11 want to thank my Co-Chairs. I want to thank
12 everybody involved today; I know we waited quite a
13 long time. This has been quite a long hearing, just
14 under six hours. For everything, we still have a lot
15 of work to do. We need to make sure these PPE
16 numbers for the stockpiles are correct and together
17 we will make sure that we get through a second wave
18 if and when one comes in a way that everyone has the
19 protective equipment they need and there is no
20 unnecessary loss of life.

21 So, I want to thank everyone. Chair Vallone, do
22 you want to jump in on anything?

23 CHAIRPERSON VALLONE: Just thank you Chair
24 Kallos and to everyone who stayed through. These
25 hearings are so important. So, God Bless everyone

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and any follow up questions or concerns, just email
any of the Chairs and we will get back to you. Thank
you.

CHAIRPERSON KALLOS: If you haven't already
submitted testimony, you have 72 hours to do so. We
hereby end this committee hearing and thank you and
have a good day.

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 November 7, 2020