CITY COUNCIL CITY OF NEW YORK -----Х TRANSCRIPT OF THE MINUTES of the COMMITTEE ON CONTRACTS -----Х October 25, 2021 Start: 1:11 p.m. Recess: 2:02 p.m. HELD AT: Remote Hearing, Virtual Room 3 B E F O R E: Ben Kallos Chairperson COUNCIL MEMBERS: Ben Kallos Inez D. Barron James F. Gennaro Mark Gjonaj Bill Perkins Helen K. Rosenthal World Wide Dictation 545 Saw Mill River Road - Suite 2C, Ardsley, NY 10502

1

Phone: 914-964-8500 * 800-442-5993 * Fax: 914-964-8470 www.WorldWideDictation.com A P P E A R A N C E S (CONTINUED)

Victor Olds Director Mayor's Office of Contract Services

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

Douglas Lipari Deputy General Counsel Mayor's Office of Contract Services

Roger Wareham

Reilly Martin

Q

1	COMMITTEE ON CONTRACTS 3
2	SERGEANT AT ARMS: PC recording good.
3	SERGEANT AT ARMS: Recording to the cloud
4	all set.
5	SERGEANT AT ARMS: Backup is rolling.
6	SERGEANT AT ARMS: Thank you, and good
7	afternoon, and welcome to today's remote New York
8	City Council hearing of the Committee on Contracts.
9	At this time would all council members and council
10	staff please turn on their video. To minimize
11	disruption, please place electronic devices on
12	vibrate or silent mode. If you wish to submit
13	testimony you may do so at testimony@council.nyc.gov.
14	Once again, that is testimony@council.nyc.gov. Thank
15	you, Chair Kallos. We are ready to begin.
16	CHAIRPERSON KALLOS: Thank you for
17	joining this virtual hearing today. I'd like to,
18	acknowledge that we've been joined by Council Member,
19	ah, Jim Gennaro, Council Member Mark Gjonaj, Council
20	Member Helen Rosenthal, and, ah, we've been joined by
21	Council Member Inez Barron. We worked with her to
22	bring a bill, ah, that she has authored, Introduction
23	1686, of which I am a proud sponsor, from one
24	committee to this committee, so we could get it
25	heard. Ah, I just want to say that, um, we serve

2 together on the Landmarks Committee where, ah, 3 Council Member Barron, ah, was an incredibly strong 4 advocate and proponent, ah, making sure that as we 5 consider our city's history, um, that that history included, ah, our history that involved slavery and, 6 7 ah, treatment of, ah, black New Yorkers at different 8 times throughout history. So more than happy to turn 9 it over to Council Member Barron, and thank you for her leadership. 10

11 COUNCIL MEMBER BARRON: Thank you very 12 much, ah, Chair Kallos, and thank you to the 13 administration and the panelists and the other folks who are going to be giving testimony today. The bill 14 15 that I'm introducing talks about 16 UNIDENTIFIED: Council Member Barron. 17 COUNCIL MEMBER BARRON: Yes? 18 UNIDENTIFIED: Please hold, we lost the 19 live. Just give me one second. 20 COUNCIL MEMBER BARRON: Oh, OK. 21 UNIDENTIFIED: We're live. You can continue, Council Member Barron. 2.2 23 COUNCIL MEMBER BARRON: Ah, thank you. Thank you, Council Member, Chair Kallos, for allowing 24 me this opportunity to talk about the bill which I'm 25

2 introducing, of which you're one of the main 3 cosponsors, ah, Intro 1686, and what Intro 1686 calls for is a declaration of legislative intent and 4 findings. We know that in recent years there are 5 many companies that have disclosed the fact that they 6 7 engaged and/or profited from the commerce that was 8 generated and in fact a great economic, ah, 9 foundation that this country is built upon by engaging in, in slavery, enslaving many thousands of 10 11 Africans, millions of Africans, during what is called the transatlantic crossings, sometimes also known as 12 13 the Maafa. Ah, Aetna, ah, insured slaveholders' 14 interests in slaves in the case of their death or 15 damage and was found to have directly profited from 16 such communicate. JP Morgan issued a letter of 17 apology for its participation in the slave trade, and 18 other, ah, organizations and institutions have also 19 done similarly. So I want to be clear. It is not 20 the intent of this legislation, ah, that puts the 21 questions of past links to slavery as a litmus test 2.2 for whether or not the city will do business with any 23 such entity. But just as we're coming to the point where we are acknowledging that history has only been 24 partially told or told from a distorted point of 25

2 view, and just as we're celebrating the fact that the 3 Thomas Jefferson statue will now be removed from the 4 legislative chambers, we need to make sure that the 5 whole story is told. And some of my colleagues that are here have from the outset expressed support for 6 7 the removal of the Thomas Jefferson statue, and I'm 8 talking about Council Member, ah, Kallos as well as 9 Council Member Rosenthal, among others who have understood that this was an inappropriate, ah, 10 11 gesture, honor, or whatever else you want to call it. 12 So this is in keeping with that and what the law 13 would require is that companies that are wanting to 14 enter into or renew contracts with the city would 15 have to search their past and reveal whether or not 16 they engaged in or profited from slavery. And just 17 to note that this is not something that's far afield 18 from what's happening in other cities. Chicago, Los 19 Angeles, Milwaukee, San Francisco, and Oakland all 20 have legislative requirements for potential 21 contractors to submit displayed redisclosure 2.2 certifications as a prerequisite for being awarded a 23 contract. Again, not that there are, ah, um, other, ah, obligations attached to that, but the information 24 25 must be told. We must put the full story on the

2 record. So I want to, ah, thank you for allowing me 3 to introduce this legislation, 1687. Thank you for 4 your support in signing on, and look forward to the 5 testimony.

CHAIRPERSON KALLOS: Thank you, Council 6 7 Member, ah, Barron. Ah, in addition to hearing this 8 important legislation, we're also hearing 9 Introduction 2401, which I sponsored, authored, which would require the establishment and maintenance of a 10 11 searchable public procurement database and would contain information from all stages of the 12 13 contracting process. This bill would require specific information to be made publicly available at 14 15 each stage of procurement, from pre-solicitation phase all the way to the last city expenditure 16 17 pursuant to a particular contract. This information 18 would be made freely available to the public on the 19 city's website. Introduction 2401 would build upon 20 prior transparency measures that we've passed over the last several council sessions and would expand 21 2.2 beyond the only public access point currently 23 available, which is the terminal of the Office of the Mayor's Office of Contract Services on the ninth 24 floor of 253 Broadway. In recent conversations with 25

2	MOCS we were glad to hear that our interests are
3	aligned on much of this [inaudible] material in the
4	bill and we look forward to working with the team at
5	MOCS and the administration to develop a version of
6	the bill that we can pass before the end of the
7	session. I'd like to thank my committee staff,
8	Counsel Alex Polinoff, policy analyst Leah Skripiak,
9	and finance unit head, John Russell, for all their
10	hard work putting this hearing together. With that
11	said, I will now turn it over to our moderator,
12	committee counsel Alex Polinoff, to go over some
13	procedural items and spread the administration to the
14	record.
15	COMMITTEE COUNSEL: Thank you, Chair
16	Kallos. Ah, my name is Alex Polinoff, counsel to the
17	Contracts Committee of the New York City Council.
18	Before we begin testimony I just want to remind
19	everyone that you will be on mute until you are
20	called upon to testify, at which point you will be
21	unmuted by the host. I will be calling on panelists
22	to testify in order, so please listen for your name
23	to be called. The first panelist to give testimony

today will be the director of the Mayor's Office of

Contract Services, Victor Olds. Both First Deputy

24

Director Ryan Murray, and Deputy General Counsel 2 3 Douglas Lipari from the Mayor's Office of Contract Services will also be available for questioning. 4 I 5 will call upon you shortly when it is time to begin testimony. During the hearing if council members 6 7 everyday like to ask a question of the administration 8 or of a special panelist, please use the Zoom hand 9 raise function and we will call on you in order. We will be limiting council member questions to five 10 11 minutes, which includes the times it takes to answer 12 those questions. Please note that for the ease of 13 this virtual hearing we will not be allowing a second 14 round of questions for each panelist outside of the 15 committee chair or the bill sponsor. All hearing 16 participants should submit their written testimony to 17 testimony@council.nyc.gov. Before we begin I will 18 administer the oath. To all members of the 19 administration who will be offering testimony or will 20 be available for questions, please raise your right I will call on each of you individually for a 21 hands. response. Do you affirm to tell the truth, the whole 2.2 23 truth, and nothing but the truth before this committee and to respond honestly to council member 24 questions? Director Olds? 25

1	COMMITTEE ON CONTRACTS 10
2	DIRECTOR OLDS: I do.
3	COMMITTEE COUNSEL: First Deputy Director
4	Murray?
5	FIRST DEPUTY DIRECTOR MURRAY: I do.
6	COMMITTEE COUNSEL: Deputy General
7	Counsel Lipari?
8	DEPUTY GENERAL COUNSEL LIPARI: I do.
9	COMMITTEE COUNSEL: Thank you. Ah,
10	Director Olds, you may begin your testimony.
11	DIRECTOR OLDS: Thank you. Hello, Chair
12	Kallos, Council Member Barron, members of the
13	Contracts Committee, I thank you for inviting us to
14	attend this hearing today on establishing a public
15	procurement database. Council Member Kallos, I'd
16	like to take a moment to you especially for being a
17	valued partner on the City Council over the past
18	several years. MOCS's over the past few years has
19	demonstrated our commitment to centralizing the
20	procurement process and simplifying contracting for
21	city vendors. As we have testified before this
22	committee previously, the primary work at MOCS
23	continues to be the design, build, and deployment of
24	a digital platform that centralizes procurement
25	activity for agencies and vendors. The Procurement

2 and Sourcing Solutions Portal, PASSPort, has been a 3 multiyear effort aimed at digitally transforming New 4 York City contracting in a manner that streamlines 5 and standardizes the procurement process. We developed this system through a phased roll-out and 6 7 carefully considered user needs and the appropriate schedule for bringing functionality online. 8 The 9 first two releases focused on bringing vendors into the platform, providing a central repository for 10 11 filing required disclosures, and performing document 12 management, and subsequently piloting, ordering, and 13 payment functionality on goods, catalog contracts. 14 The biggest component yet, Release 3, brought full 15 end-to-end functionally for the contracting process, 16 enabling agencies to source vendors once they have 17 identified a need, release solicitations through the 18 public portal, evaluate responses, draft a contract, 19 and ultimately submit contract packings to the 20 comptroller for registration. The ability to conduct 21 all of these activities in one shared platform brings 2.2 a new degree of efficiency to New York City 23 It alleviates bureaucratic confusion procurement. and it drives better performance. Over a year out 24 from Release 3 we can now report that PASSPort is the 25

central hub for doing business with the city. 2 The 3 past few years have seen a tremendous increase in vendor adoption of the system, with over 30,000 4 organizations having an account and 15,000 responses 5 submitted to elicit solicitations. This has been 6 7 accompanied by discrete process efficiencies gained, such as seeing the length of vendor filings drop from 8 9 weeks to days and the average length for background checks similarly reduced to a fraction of their 10 11 previous timeline. Meanwhile, agency users have 12 completed over one million work flow steps during 13 this time and released nearly 2000 solicitations. Our team continues to center its main focus on 14 15 driving adoption, supporting agency capacity building, and constantly iterating on the system to 16 17 make sure it is flexible and user-friendly. Looking 18 forward, we expect to continue iterating on 19 functionally to match the needs of users, even as 20 user familiarity and adoption continue to grow. These process will also involve decommissioning older 21 systems and constantly looking for disparate systems 2.2 23 that can be consolidated into this one shared platform. We will also continue to leverage the data 24 that is now available from this system to share 25

procurement activity with the public. As we recently 2 3 discussed, we are in agreement with the primary purpose of Intro 2401, which is to centralize 4 information on New York City procurement and make it 5 easier for vendors and nonprofits to do business with 6 7 the city. We welcome further conversations with the 8 council to ensure that this legislation is tailored 9 to the city's procurement laws and would like to see if there is a way to address the overlappings set of 10 11 regulations we already face, already-existing publicly available information, and the need for an 12 13 iterative, agile approach to software development. We are currently focused on centralizing information 14 15 on the pre-solicitation solicitation stages of the procurement process through PASSPort. These made the 16 17 most sense to prioritize early so vendors could find 18 and respond to solicitations in one place and have a 19 view of future city needs. We designed PASSPort to 20 channel the information in the post-selection and 21 post-award selections of the bill to The City Record 2.2 online, which is legally required. Over time we 23 would like to post this information on PASSPort as In general, we agree with the need to further 24 well. 25 centralize information on city procurement and make

it as easy as possible for vendors and members of the 2 3 public to find what they are looking for. This is 4 the work we have already led for years with PASSPort and it has resulted in a single place for doing the 5 vast majority of business with the city. As we make 6 7 further progress in adding functionally and increasing public accessibility, we will be happy to 8 9 continue this dialogue with the council. Thank you for inviting us to testify today. I'm joined by Ryan 10 11 Murray, First Deputy Director, and Douglas Lipari, 12 Deputy General Counsel. We can take any questions 13 that you may have.

14

14 COMMITTEE COUNSEL: Thank you, Director 15 Olds. I will now turn it over to questions from the 16 chair. Panelists from the administration, please 17 stay unmuted, if possible, during this question and 18 answer period. A reminder to Chair Kallos that you 19 be in control of muting and unmuting yourself during 20 this period. Chair Kallos, ah, please begin.

CHAIRPERSON KALLOS: Ah, thank you for, ah, your testimony on, ah, on legislation. Ah, is the administration prepared to testify on Council Member Inez Barron's, ah, important legislation?

2	DIRECTOR OLDS: Ah, thank you for the
3	question, Council Member. As you know, we were just
4	informed of the legislation on Friday. We were, we
5	understand the importance of it, the weight of it,
6	and we're happy to take it back to the administration
7	to see if there are any comments that we have to
8	offer on that proposed legislation.
9	CHAIRPERSON KALLOS: OK. Ah, as a
10	courtesy I'd like to turn it over to Council Member
11	Barron to ask any questions that you, she feels, she
12	would like to ask and you feel comfortable answering
13	at this point, and then I will get into the, ah,
14	nitty gritty of the, ah, transparency legislation.
15	DIRECTOR OLDS: Absolutely.
16	COUNCIL MEMBER BARRON: Ah, thank you,
17	Chair Kallos, and thank you, ah, for your testimony.
18	I just wanted to ask are you familiar with the fact
19	that there are five other major cities that already
20	have this type of legislative requirement for their,
21	ah, legislation?
22	DIRECTOR OLDS: I was not actually aware
23	of that.
24	COUNCIL MEMBER BARRON: Chicago, Chicago
25	was the first city and it was followed in 2003 by Los

Angeles, in 2005 by Milwaukee, and 2006 by San Francisco, and I think Oakland back in 2005. So we're about, ah, 16 years behind the lead in this. So are you familiar with these, with the requirement of these cities?

7 DIRECTOR OLDS: Well, thank you for the question, Council Member. I was not aware of the 8 9 other cities who, ah, have imposed these requirements, although I understand the rationale for 10 11 doing so, and as we said, ah, we, we view this as 12 weightly legislation. We, we definitely see the 13 impetus for, for legislation like this, and, and are 14 happy to take it back to the administration to see if 15 there are comments we can offer.

COUNCIL MEMBER BARRON: 16 Has the 17 administration, to your knowledge, ah, thought to 18 include this broad look at the impact of slavery in 19 all of the manifestations in all of the agencies that 20 it is responsible for? Have they decided to have an 21 overview, a broad kind of look at how they can, ah, make this assessment for the agencies that exist in 2.2 23 terms of the historic impact?

DIRECTOR OLDS: To my knowledge there, there are no decisions that have been made yet as to

2 how to incorporate, ah, legislation, the legislation 3 that you're proposing today, but, but I'm sure that 4 there will be conversations about, ah, what that 5 might look like.

COUNCIL MEMBER BARRON: OK, but I just 6 7 again want to highlight the fact that this is not a 8 litmus test, I want to be clear, ah, for awarding the 9 contract. But this is in fact a measure to bring full disclosure as to the contracts that might be, 10 11 and we're only talking about, just to be clear, we're only talking about contracts of \$100,000 or more, so 12 we're not asking small contractors to try to be 13 burdened with this kind of responsibility, so I did 14 15 want to highlight that as well. Thank you, Chair Kallos. 16

17 CHAIRPERSON KALLOS: Ah, thank you, Chair 18 Barron. I'm going to ask if, ah, any of the council 19 members have questions before I start jumping into 20 the, ah, more, ah, transparency questions.

21 COMMITTEE COUNSEL: It does not look like22 they do, Chair.

CHAIRPERSON KALLOS: That's great. Ah, I
really enjoyed, ah, your testimony. Ah, in your
testimony you actually referred to City Record online

2 and as, as you may or may not know, ah, I, I wrote 3 that law and so, ah, compliments will get you 4 everywhere. One of the issues we've run into on The 5 City Record is that, hold on, I have a copy of it, I'll be right back. So I, I keep copies of The City 6 7 Record and I think on my like last day in office, um, 8 I'm probably gonna like have, have a fun bonfire, so 9 like in, in a safe, meaningful way with FDNY supervision, of course. But, so, like this is The 10 11 City Record and, um, it's got just like walls and 12 walls of text and a lot of that text is, ah, is in, 13 ah, basically it's inputted, if, if you're a software 14 developer, in something called a, a blob. Ah, that 15 is the technical term for when you drop a bunch of 16 text into a field in a database, ah, versus, ah, 17 something that has more structured data. Ah, is 18 there an opportunity, whether it's through PASSPort 19 or through your current passing of information to The 20 City Record online to pass structured data that is 21 wrapped with information, whether it's XML or 2.2 another, an XML schema or something else? 23 DIRECTOR OLDS: Sorry, Council Member, I was trying to unmute myself. Ah, I appreciate the 24 25 question. Ah, I, we'd love to take a look at that.

As, as I said before, I think that our conversations over the years have, have been fruitful and you've often provided us with, ah, suggestions for things to implement into the system, and so happy to take a look at that and, and figure out if it's a possibility for us to do that.

8 CHAIRPERSON KALLOS: Absolutely. Ah, can 9 you share a little bit about how the coding system currently works, so if I am a vendor, ah, whether I'm 10 11 an M/WBE or a regular vendor and I make widgets, and 12 not only do I make widgets but I make widgets here in 13 New York City and my widgets are best damn widgets on 14 the planet. Ah, how, how does that work? How do I 15 find out about contracts and, and being a subcontractor or provider, or even prime contracts 16 17 for, ah, the widgets that, that are just so important in this world? 18 19 DIRECTOR OLDS: Sure. So I'm... CHAIRPERSON KALLOS: [inaudible] for a 20 21 random technical item. DIRECTOR OLDS: I'll provide some, some 2.2 23 basic information and then, ah, Ryan, feel free to jump in if there's any, ah, additional substance you 24

would like to add. So vendors are invited to sign up

2 to do business with the city. At that point in time 3 they enter their commodity information, which will 4 help to segment them towards the type of solicitations that are, are most geared towards the 5 work that they do. All solicitations are put out, 6 7 ah, through PASSPort and in The City Record so there 8 are two points of contact for where you can go to see 9 what those, ah, solicitations are, and then vendors are invited to respond to them. Beyond that, Ryan, 10 11 if there's something that you'd like to add you can 12 jump in here as well.

13 FIRST DEPUTY DIRECTOR MURRAY: No, I think that covers it for the most part. Um, you 14 15 know, the commodity codes are pretty important, ah, here in making sure that folks sign themselves up and 16 17 they can add to or change those, ah, at any point in 18 time. And then, ah, there are weekly, there are notices that go out, um, and also a digest that goes 19 20 out from PASSPort so folks can get a sense of what 21 all the things that are coming down the pipeline. 2.2 CHAIRPERSON KALLOS: Ah, we've, we've

23 been working together for a while. We operated up 24 the, ah, public inspection portal. Ah, part of our 25 conversation has been, ah, just in terms of the City

Council Local Law 5 of 2012, Local Law 76 of 2017, in terms of providing more online access to contracts. Ah, apart from what's currently available to the public, we have PASSPort and the public access terminal. What steps is MOCS taking to, ah, open up more access to the public and comply with those specific laws?

9 DIRECTOR OLDS: It's, it's a great question, Council Member, so thank you for it. 10 Ah, I 11 do remember the ribbon cutting ceremony that we had 12 here in our office prior to the pandemic, but we were 13 able to display some of the information that's 14 available on our website, including, ah, the names of 15 vendors who do business with the city, performance 16 evaluations about those vendors, and other 17 information as well. Today in PASSPort we, we push 18 out through the system information about solicitation 19 so that vendors can be made aware of what contracts 20 they might be interested in getting on. We're also 21 planning for the future to, ah, put out information, 2.2 ah, about actions prior to solicitation, so that 23 folks can prepare for them. As you know, there are other places where we're legally required to provide 24 that information by law on the MOCS website. 25 There

1	COMMITTEE ON CONTRACTS 22
2	are Local Law 1 plans, which are housed within the
3	M/WBE program, Local Law 63 plans, which cover
4	standard and professional services contracts and so
5	we're looking at ways to intelligently, ah, provide
6	additional road map information. And then, and then
7	we'll look ultimately to provide additional
8	information as well in the future.
9	CHAIRPERSON KALLOS: Thank you. In
10	discussion with some prominent international
11	procurement advocates, such as Open Contracting
12	Purposes Partnership, the committee has advised that
13	the potential impact of legislating additional
14	transparency measures, some of these measures such as
15	public access to the pre-solicitation backed phase of
16	the contractor I included in this bill, ah, what are
17	your thoughts on that piece and these additional
18	measures, ah, and are an agency's procurement needs
19	something that can be presented to the public at the
20	pre-solicitation phase?
21	DIRECTOR OLDS: I think that the
22	information, as we both know, is important so vendors
23	can be aware of upcoming opportunities. There's a
24	bit of difficulty, I think, on the agency side
25	because there is already existing legislation about,

ah, information that needs to be released prior to 2 3 solicitation. Some of the plans that I previously mentioned, ah, regarding Charter Section 312, which 4 5 is Local Law 63, also, ah, 6-129 of the Administrative Code, which is the M/WBE provision we 6 7 call colloquially Local Law 1, um, so I think that it 8 would, it would take some, ah, some thought and, and 9 we invite the council, we invite you to engage with us on that in ways that we can figure out to 10 11 telegraph upcoming procurements in a way that it 12 isn't, ah, burdensome for agencies where there is yet 13 another road map that they would be required to do. 14 I think that there is maybe an opportunity to 15 streamline some of these other, ah, road maps and, 16 and we can arrive at something that is, is helpful 17 for everyone.

18 CHAIRPERSON KALLOS: Ah, thank you. I 19 have no further questions. Ah, I do want to thank 20 you for doing your best to comply with the, the 21 numerous contracts that we are pulling on a regular 22 basis, ah, and, ah, I see that Council Member Helen 23 Rosenthal has raised her hand, so welcome the 24 additional questions.

25

SERGEANT AT ARMS: Time starts now.

2 COUNCIL MEMBER ROSENTHAL: Thank you so 3 Thank you, Chair Kallos. Um, and, and thank much. 4 you, Director Olds and, and your entire team. Um, I 5 do just want to say that, ah, as nonprofits have reached out to me, as I'm sure they have other 6 7 council members, um, your team has been incredibly 8 helpful in getting information to, um, both the 9 nonprofit groups and the, um, agency [inaudible] in order to connect them to make sure that, um, 10 11 contracts can be, ah, you know, vouchers can be 12 submitted and, ah, nonprofits can be paid on time. 13 Thank you for that. Um, this is a little off topic, but I'm curious to know if you think, given the 14 15 delays in, um, in, in, um, nonprofits being able to 16 access funds that they're, for work they're 17 contracted to do, um, whether or not you think the 18 Returnable Grant Fund is large enough and is doing 19 the job it's meant to do. 20 DIRECTOR OLDS: Thank you for the 21 question, Council Member Rosenthal. We always enjoy 2.2 working with you and, ah, a special thank-you, while 23 I have the opportunity, to Ryan Murray, Jennifer Geiling, Erin Villari, ah, Jenny Russo, for the work 24 that they do with your in ensuring that nonprofits', 25

2	ah, needs are, are addressed in a timely manner. We
3	had some similarly questions on the administration,
4	on the side of the administration, and, and we
5	decided recently to increase the size of the loan
6	fund by 15 million dollars. So that was done, ah,
7	about two months ago or so to ensure that we had
8	enough money to, ah, meet some of the needs as, as
9	agencies are making their way through the process
10	and, and to ensure that nonprofits are, are
11	sufficiently addressed.
12	COUNCIL MEMBER ROSENTHAL: Oh, wow,
13	that's great news. Um, so what's the total value
14	now?
15	DIRECTOR OLDS: The total value of the
16	fund I, I believe, don't, I should have this number
17	handy, sorry, wasn't anticipating this question, but
18	I, I
19	COUNCIL MEMBER ROSENTHAL: No, I
20	apologize, and I'm guessing, I couldn't quite hear if
21	you said the increase was 1-5 or 5-0 [inaudible].
22	DIRECTOR OLDS: Oh, it was, it was 1-5,
23	it was 1-5, sorry for it.
24	COUNCIL MEMBER ROSENTHAL: Oh, OK.
25	DIRECTOR OLDS: Right.

COMMITTEE ON CONTRACTS 26 1 2 COUNCIL MEMBER ROSENTHAL: And I think 3 the base is 25, so that would bring it to 40, but 4 I'm, you know, you can confirm after. 5 DIRECTOR OLDS: Sure. That, that sounds about right to me. I know that it's, it's, ah, I'm 6 7 always thinking about how much is currently in the fund... 8 9 COUNCIL MEMBER ROSENTHAL: Got it. DIRECTOR OLDS: ...and I, I, ah, but we're 10 11 happy to come back to you with the new total amount 12 of the fund. COUNCIL MEMBER ROSENTHAL: 13 14 Congratulations on that. That's, that's super 15 impressive, and I'm gonna assume the payback is as it 16 was before, which is 100%, um. 17 DIRECTOR OLDS: Absolutely. Upon 18 registration, ah, the fund will be repaid. 19 COUNCIL MEMBER ROSENTHAL: Yep, yep. 20 Great, great, great, great. Um, um, I wanted to ask 21 you about Council Member Kallos's bill, which just seems terrific. Um, would it be, um, in what way 2.2 23 would it be different than what, um, people who are contracting with the city, who are already in 24 25 PASSPort, in what way would it be different from that

2	reality, and, again, I, I'm, I'm not going after
3	anything. I think the answer is it would be
4	transparent to the public, not just contractors, but
5	is that accurate to say or no?

DIRECTOR OLDS: No, that, that is 6 7 The idea is to provide as much accurate. 8 transparency as possible to the public and so right 9 now we've been focusing on the solicitation phase of the contracting process, where you can go into the 10 11 public portal, you can see information about 12 solicitations that are, that are upcoming and, and we 13 plan to now focus really on pre-solicitation so that 14 folks can have as much advance notices as possible, 15 and then we'll shift our attention to post-award information, but we're taking it in phases and trying 16 17 to be intelligent about that, but the idea is to have 18 a central place for, for, ah, the public and for 19 vendors to have information about the contracting 20 process.

21 COUNCIL MEMBER ROSENTHAL: Got it, got 22 it. Thank you so much for that. Um, that's super 23 helpful. Um, and my last question is about, um, on 24 the side of, and, and I swear to you, this is, I'm, 25 I'm really just, this is just a question, it's not

1	COMMITTEE ON CONTRACTS 28
2	meant to be anything more. Um, one of the issues
3	that's so important is that in New York City agencies
4	the people who work there who are the contract people
5	the [inaudible], that they be trained and retrained
6	'cause PASSPort is a lot and really different than
7	what they're used to, and I was just wondering how
8	SERGEANT AT ARMS: Time expired.
9	COUNCIL MEMBER ROSENTHAL:coming
10	along, and that's my last question. Thank you.
11	DIRECTOR OLDS: Absolutely. We, we thank
12	you for the question and, and I agree with you, it is
13	a, a brand new way of doing business. Ah, for those
14	who are not familiar who may be watching today, prior
15	to PASSPort the city had a paper-based contracting
16	process and so we have fully digitized that process
17	and long with that we have been training the vendor
18	community and the agency community. I'll let, ah,
19	Ryan speak a little bit to what that training looks
20	like.
21	COUNCIL MEMBER ROSENTHAL: Thank you.
22	FIRST DEPUTY DIRECTOR MURRAY: So,
23	Council Member, we often, ah, respond to this
24	question, um, over the years what, what you've
25	acknowledged with us and we've seen is that obviously

efficiencies happen over time, so there's an 2 3 incredible amount of training up front. Um, we 4 launched the most recent phase during the middle of the pandemic in June last year, so we're a year out 5 from that, um, and what we've done it was timely, 6 7 obviously, because, ah, we wanted to make sure that 8 folks were doing in that digital space. Um, our team 9 did initial trainings, as always. We created videos and guides, we put them online so that they're self-10 11 paced learning. Um, but as always I think the team 12 rolled up its sleeves and did a lot of technical 13 assistance and frankly that continues today. So, um, where an agency or a vendor or together they need to 14 15 brought onto the same platform so that we can watch 16 them, ah, now move tasks from one side of the house 17 to the other. Ah, we've been doing screen shares for 18 that and we're deploying, ah, to agencies who need 19 the extra support. So the usual that you expect from 20 training, lots of, ah, digital workshops and so, and, 21 um, and then we also get out to the agencies with dedicated sessions. Um, primarily that's been 2.2 23 digital, given [inaudible], um, but sometimes that's even better because we're looking at the computer 24 25 screen together.

2 COUNCIL MEMBER ROSENTHAL: Yeah, yeah, 3 that makes sense. That makes good sense. Um, ah, 4 ah, Chair, may I ask one or two more questions? I know my time's up, and whatever. 5 CHAIRPERSON KALLOS: Ah, sure, ah, would 6 you like one minute or two minutes? 7 8 COUNCIL MEMBER ROSENTHAL: One is fine. CHAIRPERSON KALLOS: What, what, so set 9 the clock on [inaudible]. 10 11 COUNCIL MEMBER ROSENTHAL: Um, ah, First 12 Deputy Director, um, I'm wondering if you feel that 13 both your agency, MOCS, has enough staff and then at the specific agencies like DYCD, um, Department of 14 15 Aging, whatever it is, if they have enough staff to, 16 to do this work well, um, given how critical it is. 17 FIRST DEPUTY DIRECTOR MURRAY: Ah, so 18 thank you for the question, Council Member. 19 COUNCIL MEMBER ROSENTHAL: And I don't 20 mean to get in trouble. Oh my goodness. 21 FIRST DEPUTY DIRECTOR MURRAY: No, no, 2.2 we're, we're not concerned about the question. Yeah, 23 so, yes, we feel that the agencies have, ah, the staff that they need. So I'm not up to date on any, 24 25 you know, more recent attrition that, that may have

25

2 occurred, but, but we really do think that as, ah, we 3 continue to roll out our training as we bring 4 agencies online as they become more familiar with the system and as we continue to, you know, build out 5 some of the technical expertise that we'll be able to 6 7 see, ah, progress and improvement, ah, at the agency level, and so I think it's more a matter of 8 9 familiarity and us continuing to provide technical assistance and support, ah, as opposed to, you know, 10 11 actual bodies, not withstanding any, you know, ah, recent changes with the, the administration. 12 13 COUNCIL MEMBER ROSENTHAL: Great. OK. 14 Thank you very much. Thanks, Chair, for the 15 additional time. CHAIRPERSON KALLOS: Ah, do we have any 16 other questions for the administration? 17 COMMITTEE COUNSEL: It does not appear 18 19 that we do, Chair. 20 CHAIRPERSON KALLOS: Seeing none, we will 21 move on to, ah, testimony from advocates, ah, 2.2 starting with, ah, starting with, ah, ah, people who 23 would like testify on Council Member Inez Barron's bill, 1686. 24

2	COMMITTEE COUNSEL: I will, ah, just read
3	a bit of administrative information and then we'll
4	come to the panelists, if that's OK with you, Chair.
5	CHAIRPERSON KALLOS: Sure.
6	COMMITTEE COUNSEL: Great. Ah, thank
7	you, Chair Kallos. Ah, we will now turn to public
8	testimony. I'd like to remind everyone that unlike
9	our typical council hearings we will be calling
10	individuals one by one to testify. Due to the large
11	number of witnesses, excuse me, there are not a large
12	number of witnesses. Due to the witnesses who have
13	testified today we will be limiting each panelist's
14	speaking time to five minutes. Please begin once the
15	sergeant has started the time. Council members who
16	have questions for a particular panelist should use
17	the Zoom raise hand function and we will call on you
18	after the panelist has completed their testimony.
19	Ah, for panelists, once your name has been called a
20	member of our staff will unmute you and Sergeant at
21	Arms will set the time and give you the go ahead to
22	begin. Please wait for the sergeant to announce that
23	you may begin before delivering your testimony. Ah,
24	at this time I would now like to welcome Roger
25	Wareham to testify, followed by Reilly Martin. Ah,

4

2 Mr. Wareham, you may begin as soon as the sergeant3 has called time.

SERGEANT AT ARMS: Starting time.

ROGER WAREHAM: Ah, good morning to the 5 City Council Committee on Contracts, Chairman Kallos, 6 7 Council Member Barron. Good afternoon. My name is 8 Roger Wareham. I am a human rights attorney and 9 member of the December 12 Movement. I support Intro 1686. Ah, the December, for background purposes the 10 11 December 12 Movement is a black human rights organization which defends the interest of African 12 13 people locally, nationally, and internationally. 14 We've been an active participant in the United 15 Nations human rights mechanisms since 1989. Intro 16 1686, ah, 2019 has in one form or another been before 17 this body since 2006, originally introduced by then 18 Councilman Bill Perkins, continued by former 19 Councilman Charles Barron, and now sponsored by 20 Council Member Inez Barron and, ah, Chairman Kallos. 21 Even then, as Council Member, ah, Barron has said, it 2.2 was not a unique phenomenon in this country. In 2001 23 the State of California passed a slavery disclosure law which applied to all insurance companies. 24 Βy 2006 Chicago, Oakland, Milwaukee, Detroit, 25

2 Philadelphia, Berkeley, and San Francisco had passed 3 broader slavery disclosure laws. A catalyst for 4 these demands was the national debate sparked by a lawsuit filed in federal court in March 2002, seeking 5 reparations from 17 major US corporations which had 6 7 historically profited from transatlantic slave trade 8 and slavery. Ah, this is mentioned in your committee I was one of the lead counsel on that case. 9 report. I refer to this history to emphasize that New York 10 11 City, which regards itself as a beacon of forward and 12 democratic thinking, has been seriously out of step 13 with the national trend requiring transparency from entities which have contracts with the government on 14 15 their connections with slavery. As I said before, I support Intro 1686. The protest in New York, across 16 17 the US, and around the world condemning racism and 18 demonstrating reparations since the murder of George 19 Floyd has simply reinforced my conviction that the 20 problems of 2021 cannot be resolved until this 21 society is willing to examine the historical origins 2.2 and continuing manifestations. Intro 1686, which 23 simply requires disclosure by current and/or prospective contractors, is a good faith and 24 necessary first step in demonstrating New York City's 25

35 COMMITTEE ON CONTRACTS 1 commitment to address and repair the damage caused by 2 3 the human rights violations which have taken place in the city. Thank you. 4 5 COMMITTEE COUNSEL: Thank you, Mr. Wareham. 6 7 CHAIRPERSON KALLOS: Thank you. Ah, Council Member Barron, do you have any questions for 8 9 this witness? It appears we do. Please, ah, recognize Council Member Barron. 10 COUNCIL MEMBER BARRON: 11 Thank you. Thank 12 you very much, Chair Kallos. I don't have any 13 questions. I just want to thank Attorney Wareham for coming, taking time out of his busy schedule. I know 14 15 he's very much involved in what's going on at the 16 United Nations, particularly this week. So I wanted 17 to thank him for laying out the historical 18 perspective of this legislation, the, ah, ability of 19 other cities, which we considered themselves to be 20 that, ah, progressive as we are, to have already 21 enacted this type of legislation and to just commend 2.2 for the work that he has been doing for the last 40 23 years in this regard. Thank you very much. 24 ROGER WAREHAM: Thank you. 25

2 CHAIRPERSON KALLOS: Ah, if, if I just 3 may ask a question for counselor, ah, and this is 4 more for anyone watching at home who, who may be 5 curious. Ah, what prevents the city from outright banning and refusing to do business with anyone, ah, 6 7 a corporation which, unlike human beings, have a 8 lifespan, corporations don't, ah, what, what stops us 9 from doing business with companies that have profited from, ah, the slave trade or other forms and, and, 10 11 and systemic racism that followed, ah, are we able to do an outright ban? If so, why, ah, if not, why not? 12 13 Ah, and if the best we can do is just transparency, 14 ah, what, what can we, we as elected officials, as, 15 ah, allies and, and within the communities of color 16 do with that information when we have it? 17 ROGER WAREHAM: That's a very good 18 question and I don't know if I have all the answers 19 to all of that. Um, I'm sure there are legal 20 obstacles to an outright ban and I think that the 21 precedent that has been set by some of the other cities with their disclosure has been that, ah, they, 2.2 23 once they have the information they can then look at legally what they can do and whether they can also 24

build in or require, I know in some cities they have,

2 they have asked the companies that have admitted to 3 having profited from the slave trade to make 4 voluntary contributions to programs that begin to 5 redress the, the damages that have been caused, that have been caused by, ah, what their companies had 6 7 Um, I think it's really, ah, what, what can be done. 8 done I think is really tied to, um, the, the tenor of 9 the time and the, the sense of what, what's people real or government's real commitment to repair the 10 11 damage that has been caused. You know, New York 12 City, um, I know former Council Member Charles Barron 13 has a whole catalog of, ah, the, the, the, the New 14 York City's relationship to the slave trade and 15 slavery and what the, the, the, um, effect has been 16 down through, through the ages. So I think that, um, 17 if we can get this passed I think it will require 18 some real, I think, creativity and commitment, but I 19 think we can't get to the, the stage you're talking 20 about if we can at least, can't even at least get 21 this, um, disclosure bill passed and, ah, as Council 2.2 Member Inez Barron has said we're like 15 years 23 behind the, the cart in terms of other cities around the country. So I think this, this is a real 24 25 important first step. I don't want to project too

far down the line 'cause when people say, well, I'm not sure if I'm, I'm committed to that, but at least on the issue of transparency I think, that's, that's the importance of this step, and then we can see how we move forward from that.

38

7 CHAIRPERSON KALLOS: Thank you very much for your advocacy. Thank you to Council Member 8 9 Barron for her leadership on these issues, ah, and to her husband's leadership as well. I, I, I've had a 10 11 chance to serve with Council Member Inez Barron, 12 think incredibly highly of her, and the work she's 13 been able to do over the past eight years. Let's just add this feather to the cap. Ah, do we have any 14 15 other council members with questions for this 16 witness? 17 COMMITTEE COUNSEL: [inaudible], Chair. 18 CHAIRPERSON KALLOS: Counselor, you are If you can call the next panelist. 19 excused. 20 COMMITTEE COUNSEL: Thanks, Chair Kallos. 21 Ah, next we will hear from Reilly Martin from the

22 Open Contracting Partnership. Ms. Martin, you may 23 begin when the sergeant is called on.

SERGEANT AT ARMS: Starting time.

25

2 REILLY MARTIN: Hello. I am Reilly 3 Martin, senior program manager at the Open Contracting Partnership, leading all of our 4 organizations [inaudible]. Thank you for the 5 opportunity to testify today on 2401 in relationship 6 7 to a public procurement database. Open Contracting 8 Partnership is an independent nonprofit based in 9 Washington, D.C., working in more than 50 countries, Mexico and the UK, to name a few, but with a growing 10 11 presence in the United States. Our mission is to 12 make public procurement more open, inclusive, and 13 fair. We work with governments, legislators, academia, simple society, and more, who value open 14 15 contracting just as much as we do. We believe that both folks working for and elected by New York City 16 share this dedication, as is evident in this hearing 17 18 and was already public today. We are supportive of 19 having open, accessible, user-friendly data in one 20 holistic place and we are happy to help all players 21 get there. We know New York City and specifically 2.2 the Mayor's Office of Contracting Services is already 23 actively working on some of this. I want to lift up three pieces of their work, which are inclusion of 24 forecasting information, [inaudible] and tracking, 25

2 and online payment management. They also have an 3 ongoing commitment to continue to make enhancements 4 to online systems and accessible data. To build on some of this work and do it well, it is our 5 understanding that other city agencies would need to 6 7 be involved, such as the comptroller. We are 8 proponents of cross-functional teams focused on 9 contractor [inaudible] and open contracting and are happy to help ourselves in any way we can. 10 This 11 legislation does include some helpful additions for 12 open contracting, two in particular. It's focused on 13 detailed award information and funding 14 justifications. The value of open information on 15 funding justifications has been important when 16 reviewing emergency spending, particularly related to COVID-19. There are resources available on our 17 18 website to learn how countries around the globe have 19 managed to buy fast, smart, and open, as well as 20 guidance to consider for future emergency spending. 21 There's also ways it could be better. Specifically, two ways of note - clarification on the timeline and 2.2 23 what's expected in 120 days, and how it relates to and/or complements or contradicts current 24 legislation. Open Contracting Partnership recently 25

2	released an open contracting legislative guide, which
3	we hope can continue to be a resource as you all
4	think collectively about open contracting legislation
5	in New York City. We look forward to watching what
6	we hope is increased collaboration around contracting
7	data and continue to offer our technical assistance
8	to continue to open up as much as possible and the
9	best way possible. I will also submit this as
10	written testimony for future reference and quick
11	access to our online resources I've mentioned today.
12	Thank you.
13	CHAIRPERSON KALLOS: When we say
14	transparency, other people often hear bureaucracy and
15	red tape. Hearing your testimony, you mentioned, ah,
16	being able to contract openly and quickly during the
16 17	
	being able to contract openly and quickly during the
17	being able to contract openly and quickly during the pandemic. Ah, can you share any examples of
17 18	being able to contract openly and quickly during the pandemic. Ah, can you share any examples of jurisdictions that have been able to do so, ah, and,
17 18 19	being able to contract openly and quickly during the pandemic. Ah, can you share any examples of jurisdictions that have been able to do so, ah, and, and how can you do transparency at the same time as
17 18 19 20	being able to contract openly and quickly during the pandemic. Ah, can you share any examples of jurisdictions that have been able to do so, ah, and, and how can you do transparency at the same time as moving quickly?
17 18 19 20 21	being able to contract openly and quickly during the pandemic. Ah, can you share any examples of jurisdictions that have been able to do so, ah, and, and how can you do transparency at the same time as moving quickly? REILLY MARTIN: Sure, yeah. Um, if I

throughout COVID. Um, one of the, one of the best

examples that we always say is the Ukraine, um, which 2 3 seems like an unlikely example, um, [inaudible] to the US, but it's definitely a place where simple 4 5 society is fighting for and looking for transparency in this space. Um, they're, it, it, I'll go back to 6 7 it's definitely a partnership, right, of like who's 8 involved at what stage, um, but I think if you work 9 together to make sure all the information is, is open, um, you're able to do that quickly. Again, 10 11 I'll, I'll cite the, the funding justifications. Ιf 12 you know from the very beginning where the money is 13 going it's fairly easy to, to cite back where it was 14 spent, um, given that there is a connection piece to 15 take all the way through. So one, one point of note, 16 um, that I think is well to remember, um, someone can 17 correct me if I'm wrong, but one single contracting 18 ID to follow, um, a piece of contracting from a 19 [inaudible] all the way through to spend. 20 CHAIRPERSON KALLOS: Um, with regards to 21 the, the contracting processes, ah, our legislation 2.2 speaks to the different phases. We're adding 23 increased solicitation, we're adding, ah, post award, we're adding a lot of the pieces along the 24 [inaudible] lines. Where, where do schemas and XML 25

2 and, and making the information intelligent versus,
3 ah, dumb, ah, as it were, and, and how can
4 information be dumb versus intelligent?

5 REILLY MARTIN: Sure. Um, so we definitely, as you mentioned, like to sort, um, open 6 7 standards. So, um, open data as a concept, as you know and are familiar with, definitely means schemas 8 9 that are machine readable, um, so that looks like a few different things, but essentially someone should 10 11 be able to go through and scan with a computer system 12 all, all system fields. Um, and so they definitely 13 need to be separated. If it's behind, it's always 14 valuable and we always fight for like whatever is 15 open, um, should be open, it's great if it's open 16 'cause that way someone can find and could find it 17 faster than waiting for someone to respond, say, an 18 email or a FOIA request, for example. Um, but, with 19 that being said, if it's hidden behind a PDF 20 oftentimes different softwares cannot access it 21 particularly when you think about, um, screeners for 2.2 folks that are, are unable to access information any 23 other way.

CHAIRPERSON KALLOS: The, the oddtransparency for transparency's sake, ah, are there

2 any flow-on benefits to the open contracting 3 approach?

4 REILLY MARTIN: Sure. That was a great Um, so one of, one of the reasons we've 5 question. put it in a standard that's a globally recognized 6 7 standard, is so that you can do analysis, so we've 8 done, ah, there are five case, uses cases that, 9 again, I'm happy to point to, um, where folks can read more on this, but essentially those five use 10 11 cases allow different constituencies, ah, and the 12 public to examine where the money went, if it was 13 spent well, if corruption was involved. Um, so 14 there's definitely benefits to analyze that data if 15 it is open and structured in a way you can analyze 16 it. 17 CHAIRPERSON KALLOS: Ah, the City Council will leave the record open for, I believe, 48 hours. 18 19 Is that correct, Counsel? 20 COMMITTEE COUNSEL: Ah, 72 hours, Chair. 21 CHAIRPERSON KALLOS: 72 hours and where can people submit testimony in writing? 2.2 23 COMMITTEE COUNSEL: They should submit their written testimony to testimony@council.nyc.gov. 24 25

1	COMMITTEE ON CONTRACTS 45
2	CHAIRPERSON KALLOS: And, ah, I guess for
3	open contracting what kind of, ah, engagement process
4	can, can you do or can we also do to expand
5	engagement over the next 72 hours for anyone who's
6	interested in seeing how the city spends 20 billion
7	dollars?
8	COMMITTEE COUNSEL: Are you asking me,
9	Chair?
10	CHAIRPERSON KALLOS: Well, I'm asking,
11	ah, [inaudible] contracting.
12	COMMITTEE COUNSEL: OK. Can we please
13	unmute Reilly?
14	REILLY MARTIN: Sure, hi. Um, so I'm
15	happy to be a resource, um, and I can send somebody
16	my email address, but it's just mmartin@open-
17	contracting.org. Feel free to contact us, um, or by
18	my email on our website at open-contracting.org. Um,
19	we're happy to be a resource, answer questions,
20	direct people to more information, um, either
21	different legislation that exists around the globe,
22	um, or different things that we have written based
23	on, on research ourselves.
24	
25	

CHAIRPERSON KALLOS: Ah, thank you very 2 3 much. Ah, do we have any council members with 4 questions for this panel? 5 COMMITTEE COUNSEL: It does not appear that we do, Chair. 6 7 CHAIRPERSON KALLOS: Ah, seeing none, do we have any additional panelists? 8 COMMITTEE COUNSEL: We do not. 9 CHAIRPERSON KALLOS: Ah, OK. I'd like to 10 now conclude this, ah, hearing of the Contracts Comm. 11 12 I want to thank, ah, all the committee staff and 13 everyone who worked hard to get us here. I hope we 14 can move quickly on both Introduction 1686 as well as 15 Introduction 2401. Ah, with the remaining, ah, 65 16 days that we have in this term. Ah, thank you to 17 everyone and have a wonderful day. 18 19 20 21 22 23 24

46

CERTIFICATE

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 October 31, 2021