

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONTRACTS

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March 14, 2012

Start: 10:57 a.m.

Recess: 11:04 a.m.

HELD AT: 250 Broadway
Committee Room, 14th Floor

B E F O R E:
DARLENE MEALY,
Chairperson

COUNCIL MEMBERS:
Robert Jackson
Letitia James
Melissa Mark-Viverito
Michael C. Nelson
Elizabeth S. Crowley

A P P E A R A N C E S

Sante Crado Morgan
Student

CHAIRPERSON MEALY: Good morning.

My name is Darlene Mealy. I serve as the Chair of the New York City Committee on Contracts. It is my pleasure to welcome you here today. Thank you all for attending. Before we proceed, I would like to recognize the Council Members who are present today from the Committee. We will have-- and I'm going to do it a little different--we will have our Council Member Mark-Viverito introduce her City Council Member for today. Council Member Mark-Viverito is here today.

COUNCIL MEMBER MARK-VIVERITO: Yes.

CHAIRPERSON MEALY: Go ahead.

COUNCIL MEMBER MARK-VIVERITO: I know that we're--this is not working? Oh, it's on? Okay. That as the Women's Caucus we decided to bring young women with us from our districts, so, with me I have Florica Diaz [phonetic], from my neighborhood in the district that I represent.

CHAIRPERSON MEALY: Thank you. We have Mr. Mike Nelson from Brooklyn. We have Mr. Robert Jackson. We have Ms. Elizabeth Crowley, she has her city councilwoman for today.

COUNCIL MEMBER CROWLEY: I do, and

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CHAIRPERSON MEALY: [Interposing]

Hit the mic, please.

COUNCIL MEMBER CROWLEY: I have

Sharon Shivu [phonetic] with me, from PS 113, IS
113. She's an eighth grader, very smart,
dedicated student, and I'm happy to have her here
with me today.

CHAIRPERSON MEALY: Thank you. We

have Tish James.

COUNCIL MEMBER JAMES: So, I have

two wonderful City Council Members who represent
Downtown Brooklyn and Fort Greene, Ms. Dickerson,
who is in the tenth grade, she attends Talent
Unlimited; Ms. Jones, she is in the eighth grade,
and she attends Susan B. McKinney. And they are
from Brooklyn and they represent, so let's give it
up for our City Council Members of the day. Thank
you all.

CHAIRPERSON MEALY: Can't wait and

I am the Chair of the New York City--on Contracts,
and I have my City Council Member here for today,
Ms. Sante Crado Morgan [phonetic]. She is 13-
years old. She is an eighth grader from PS IS

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2 327. She submitted an essay and I chose her.
3 Asante, she is an active participation n her
4 student government, representing her class 801 as
5 the class senator. And later this month she will
6 represent her school at the World Leadership Forum
7 in Washington, DC. Can you give her a hand?

8 [applause]

9 CHAIRPERSON MEALY: All right. So
10 I am very proud for her. Would you like to have
11 some words?

12 SANTE CRADO MORGAN: Thank you for
13 letting me come. This is a wonderful opportunity.
14 I won't forget this day, and I will enjoy this
15 day.

16 CHAIRPERSON MEALY: Thank you.
17 This morning, the Committee will vote on proposed
18 intro 707-A. This legislation would require the
19 Mayor to notify this council of cost overruns on
20 large contracts for capital projects. We first
21 discussed today's bill last October in connection
22 with an oversight hearing in the City's management
23 of its ITS contracts. During that hearing the
24 administration acknowledged the role that the
25 Council could play in helping to keep contracts on

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2 track. Now in the past the Council has done its
3 best to conduct oversight hearings once cost
4 overruns have come to light, but we have been
5 limited. We have received too little information,
6 too late. With today's legislation, the Council
7 will be able to improve the timeliness and the
8 quality of its oversight of contracts that begins
9 to go off course. And now I would like to turn it
10 over to the bill's sponsor, Council Member Letitia
11 James.

12 COUNCIL MEMBER JAMES: Thank you.

13 My name is Letitia James, and I represent Downtown
14 Brooklyn, and today I'm the proud sponsor of Intro
15 707-A 2011. As most of you know, when I served as
16 Chair of the Contracts Committee, the Committee
17 held hearings on the outsourcing of public
18 services to the private sector, as well as two
19 oversight hearings on the Office of Payroll
20 Administrations contracts, otherwise known as
21 CityTime. I criticized the contract at that time
22 as costly and poorly managed. Since 2010 I have
23 requested that the council's contract committee
24 investigate a wide range of capital projects which
25 have unfortunately engaged in cost overruns. They

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2 include but are not limited to the following: the
3 Emergency Communications Transformation Program, a
4 \$286 million contract; NYCAPS program, a \$1.95
5 million contract which is run out of the Health
6 and Hospitals Corporation contract with Navigat, a
7 private consulting company; and the list goes on,
8 and on, and on. Specifically, this bill would do
9 two things. Specifically, the Mayor would be
10 required to notify the Council at two points in
11 time. First, the Council will be notified of the
12 initial request for a cost increase, and
13 additionally, once the project extension or
14 modification is taking place, the Council would be
15 notified of any additional contract extensions or
16 modification that result in a 10% cost increase
17 above the revised contract value. As most of you
18 know, CityTime, which was originally budgeted at
19 \$63 million, ballooned to almost \$600 million,
20 resulting in the biggest scandal within this
21 administration. And this is an attempt to rein
22 those costs in. I thank all of my colleagues for
23 all of your efforts in this regard, and I would
24 urge all of my colleagues to vote yes on this
25 bill. Thank you, madam chair.

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CHAIRPERSON MEALY: Thank you.

Again, thank you all for attending this hearing.
With nothing furthermore, let's move to our vote.
I will ask the clerk to do the roll call.

KEVIN PIN: Kevin Pin, Committee
Clerk, roll call in the Committee on Contracts,
Intro 707-A. Council Member Mealy?

CHAIRPERSON MEALY: I vote Aye, and
I hope all my colleagues will vote Aye also.

KEVIN PIN: Nelson?

COUNCIL MEMBER NELSON: Aye.

KEVIN PIN: Jackson:

COUNCIL MEMBER JACKSON: Aye.

KEVIN PIN: James.

COUNCIL MEMBER JAMES: Aye.

KEVIN PIN: Mark-Viverito.

COUNCIL MEMBER MARK-VIVERITO: I
would like to congratulate Council Member James.
This is a great bill in bringing more
accountability and transparency to contracts being
given in this City. So with that--and I'm a proud
co-sponsor as well, I've signed on--I vote Aye.

KEVIN PIN: By a vote of 5 in the
affirmative 0 in the negative and no abstentions,

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the item has been adopted. Members, please sign

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the Committee report.

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CHAIRPERSON MEALY: Thank you

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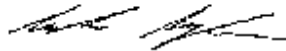
women, for today. Council Members. Women's

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History Month is every day.

C E R T I F I C A T E

I, Erika Swyler, certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.



Signature

Date 3/28/2012