CITY COUNCIL CITY OF NEW YORK ----- Х TRANSCRIPT OF THE MINUTES Of the COMMITTEE ON CONTRACTS ----- Х July 18, 2024 Start: 11:19 a.m. Recess: 11:22 a.m. HELD AT: Committee Room - City Hall BEFORE: Julie Won Chairperson COUNCIL MEMBERS: Eric D. Bottcher Sandy Nurse Althea V. Stevens Inna Vernikov World Wide Dictation 545 Saw Mill River Road - Suite 2C, Ardsley, NY 10502 Phone: 914-964-8500 * 800-442-5993 * Fax: 914-964-8470

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

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3 welcome to today's New York City Council vote on 4 Contracts. At this time, we ask that you silence all 5 electronic devices and at no time would you please 6 not approach the dais. Chair, we're ready to begin. 7 CHAIRPERSON WON: [gavel] Good morning and 8 welcome to this Committee vote of New York City 9 Council's Committee on Contracts. Today is Thursday, July 18th. My name is Julie Won. I have the 10 11 privilege of chairing this committee. Today marks a 12 significant moment for the Committee as we prepare to 13 vote on Proposal Intro. 863A. This legislation 14 sponsored by Council Member Justin Brannan represents 15 a crucial step in our ongoing efforts to reform and 16 modernize New York City's procurement process. for 17 years we've grappled with a contracting system that 18 while well-intended has often fallen short in 19 practice. We've heard countless stories from 20 nonprofit providers about the burdens of excessive 21 paperwork, lengthy delays and financial strain caused 2.2 by late payments. These issues don't just affect the 23 organizations themselves, they ripple through our 24 communities, impacting the delivery of essential

services to our most vulnerable residents. Let me

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2 walk you through the key provision of this bill. 3 Intro 863A will raise the threshold for in-depth contract review from \$200,000 to \$1 million. 4 This change reorganizes the reality of today's contracting 5 landscape and allows us to focus our scrutiny where 6 7 it matters most, on high-value contracts with the potential impacts on city service resources. Second, 8 9 Intro 863A would close a significant loophole by applying these review requirements to amendments on 10 11 service contracts that will push contracts value over 12 \$1 million. This ensures that major changes to existing contracts received the same level of 13 14 scrutiny as new contracts. Third, this bill would 15 streamline contracting processes by reducing public 16 notice period for unplanned contracts from 60 to 10 17 This ensures that as we evolve our contracting days. 18 processes we're inadvertently opening doors to 19 outsourcing city jobs. Before, I want to emphasize 20 that these changes aren't happening in a vacuum. 21 They build upon stakeholder input when we heard this bill last month on recommendations of the 2022 joint 2.2 23 Mayoral Comptroller Taskforce to get nonprofits paid on time and they're part of a broader effort to 24 25 create a more responsive, efficient, and transparent

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2	procurement process. Now, I recognize that
3	procurement reform is complex issue and there's still
4	a lot of work to be done. Intro 863 represents
5	significant step forward. It demonstrates our
6	commitment of balancing efficiency with oversight to
7	supporting our nonprofit partners while protecting
8	our citywide workforce to ensure that our contracting
9	processes serves the best interest of all New
10	Yorkers. Before we vote, I want to thank Council
11	Member Brannan again for his leadership on this
12	issue, and I'd like to thank the Committee staff,
13	Senior Counsel Alex Paulenoff, Policy Analyst, Alex
14	Yablon [sp?], Principle Financial Analyst Nia Hyatt
15	[sp?], Finance Unit Head, Florentine Kabore for their
16	hard work in putting this hearing together and
17	preparing today's vote. With that, I'll ask the
18	Clerk for a roll call.
19	COUNCIL CLERK: Good morning. William
20	Martin, Committee Clerk. Roll call vote, Committee
21	on Contracts, Proposed Introduction 863A. Chair Won?
22	CHAIRPERSON WON: Aye.
23	COUNCIL CLERK: Bottcher?
24	COUNCIL MEMBER BOTTCHER: Aye.
25	COUNCIL CLERK: Nurse?

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2	CHAIRPERSON NURSE: I vote aye.
3	COUNCIL CLERK: Stevens?
4	COUNCIL MEMBER STEVENS: Aye.
5	COUNCIL CLERK: Vernikov? By a vote of 4
6	in the affirmative, 0 in the negative and no
7	abstentions, item has been adopted by the Committee.
8	CHAIRPERSON WON: Thank you so much, and
9	this hearing or this vote is adjourned. Thank you.
10	[gavel]
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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 _____July 30, 2024__