



**TESTIMONY OF THE DEPARTMENT OF INFORMATION TECHNOLOGY AND
TELECOMMUNICATIONS**

BEFORE THE NEW YORK CITY COUNCIL COMMITTEE ON CONTRACTS

October 23, 2017

Good afternoon, Chair Rosenthal and members of the Committee on Contracts. My name is Evan Hines and I am the First Deputy Commissioner for the Department of Information Technology and Telecommunications, also known as DoITT. I am here today to speak about DoITT's role in large technology contracts, and the tremendous progress we've made in the last few years to deliver projects on schedule and within budget through improved contract vehicles, better project governance and a reduced reliance on vendors to perform work more appropriately done by the City's own talented workforce.

As the City's shared-service IT agency, DoITT supports the underlying technology for many City agencies and entities, and provides assistance, expertise, and advice when agencies require it. DoITT also administers citywide IT contracts that agencies can leverage for IT professional services and goods.

In 2014, DoITT made great strides in its procurement practices by registering a new set of citywide contracts. These contracts expanded the breadth and depth of services offered, increased competition and opened eligibility to small businesses by creating a new class of smaller contracts, and strengthened terms and conditions to ensure accountability, quality of staff, and timely performance. As just one example of improvement, we now protect the City by demanding liquidated damages for delays caused by a vendor.

However, while important, strong contracts alone do not ensure a project's delivery on time and on budget. For that, strong governance is also essential. Since Anne Roest became Commissioner of DoITT in 2014, we have strengthened governance practices for all DoITT-led projects, and we continue to work with the City's technology leadership to proliferate those practices citywide.

Nowhere is this new governance approach more apparent than with the restart of the City's Emergency Communications Transformation Project, also known as ECTP. As a reminder, ECTP includes the construction and full technology outfitting of a new, state-of-the-art public safety answering center, PSAC 2, in the Bronx. This effort is critical to ensuring the resiliency of

the nation's largest, busiest and most complex 911 system. The building is tremendously strong, with fully redundant and resilient IT systems, and mechanical and power systems configured to ensure its continued operation even in the face of an adverse event. This should give New Yorkers true peace of mind—that even in a city as large as theirs, which handles millions more 911 calls than any other city in the U.S., their call for help will always be answered.

In 2014, after several years and hundreds of millions already invested, this project's previous leadership announced it would be further delayed—and require an additional \$100 million to complete. Mayor de Blasio then halted all work on the program and ordered Commissioner Roest to conduct a 60-day assessment and generate an action plan for moving it forward.

DoITT executed, and as a result, ECTP's governance was fundamentally transformed in three ways. First, the ECTP Steering committee was created, bringing together senior management from City Hall, OMB, FDNY, NYPD, and DoITT. The committee sets goals, meets monthly to review progress towards these goals, ensures cross-agency collaboration, and remains vigilant on overall project scope and budget. Second, Commissioner Roest was designated as the single point of project accountability. Third, the City replaced the systems integrator project team with City employees across all workstreams, eliminating multiple layers of vendors who had served as not much more as a middleman.

At the same time, and in addition to DoITT's efforts, DOI conducted an investigation into ECTP, ultimately recommending the use of an integrity monitor to independently assess the project. I am happy to say today that the integrity monitor has confirmed that ECTP is now where it needs to be: on time and under budget.

And we are not stopping there. Today, we are applying the same type of best practices for DoITT's largest and most critical projects, including the replacement of the core customer relationship management system that powers 311, the implementation of the City's first Text-to-911, and the NextGeneration 911 project.

We take spending very seriously, as demonstrated by our successful avoidance of a proposed \$100 million overrun in ECTP to deliver the project on budget, so we want to provide some context for our recent Local Law 18 (LL18) reports. While LL18 reporting is a crucial mechanism for tracking significant contract value increases, it is important to note that an increase in contract value does not necessarily translate to project cost overruns. In fact, the increases to contracts DoITT has recently disclosed in relation to this law are *not* due to cost overruns, but rather additional necessary scope or work.

For example, the Verizon/Telesector E-911 contract referenced in the most recent LL18 report was procured to accommodate a variety of necessary services related to 911. This contract was originally leveraged for ECTP, and we have since added funding for other projects, such as Text-to-911. This was noted on the LL18 report, but it is not an overrun in any sense. On the contrary,

we are pleased to be able to appropriately leverage an existing contract to offer long-awaited and critical emergency communications services to New Yorkers. This amounts to a win-win for the City and the people we serve, saving time and increasing efficiency as we go about this important work.

I hope this gives a clear and compelling picture of the meaningful progress we have made in our IT contracts. Thank you again for the opportunity to speak about this important topic. This concludes my prepared testimony, and I am happy to answer the Committee's questions.

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