

**DEPARTMENT OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS TESTIMONY
BEFORE THE CITY COUNCIL COMMITTEES ON LAND USE AND TECHNOLOGY
FISCAL YEAR 2014 EXECUTIVE BUDGET
WEDNESDAY, MAY 29, 2013**

Good afternoon, Chairs Recchia, Comrie and Cabrera, and members of the City Council Committees on Finance, Land Use, and Technology. My name is Rahul Merchant and I am Commissioner of the Department of Information Technology and Telecommunications (DoITT), and New York City's Chief Information and Innovation Officer. Thank you for the opportunity to testify today about DoITT's Fiscal 2014 executive budget. With me are Brett Robinson, Deputy Commissioner for Financial Management and Administration; John Winker, our Associate Commissioner for Financial Services; and Charles Fraser, our General Counsel.

DoITT's **Fiscal 2014 Executive Budget** provides for operating expenses of approximately \$443.5 million, an increase of \$28 million from the Fiscal 2014 January Budget, and a net decrease of \$34 million from Fiscal 2013's current modified budget. The addition of \$28 million represents a net increase to DoITT's budget to extend the funding associated with IFA positions that previously had their funding expire, and maintenance costs associated with Capital Projects that have been recently approved. The net decrease between the Fiscal 2013 current modified and the Fiscal 2014 budget allocations is largely attributable to the one-time grant funding that had been reflected in the Fiscal 2013 current modified budget. Any unspent Fiscal 2013 grant funding will be rolled over into Fiscal 2014.

The budget includes \$96 million in Personal Services to support 1,230 full-time positions, and \$347 million for Other than Personal Services. Of the \$347 million, 34 percent, or \$117 million, represents Intra-City funds to be transferred from other agencies to DoITT for services it provides. Telecommunications costs represent the largest portion of the Intra-City expense; Fiscal 2013 Intra-City telecommunications expenditures are budgeted at \$94 million, while total telecommunications costs are budgeted at \$141 million.

As the City's technology leader, DoITT implements, maintains, and administers the City's backbone IT and telecommunications systems. Over the last year we have continued to modernize our infrastructure, extend broadband across the five boroughs, and foster innovative public/private partnerships to provide technology resources and access to New York City students, residents, businesses, and visitors.

Before I proceed I would like to thank the Council for the support they have offered in my time as CIIO and DoITT Commissioner. The Bloomberg Administration has successfully made New York City into one of the world's pre-eminent digital and technological centers, and the Council has served as a vital partner throughout that important journey.

Since we last appeared before you in March, DoITT has continued to build on a number of critical agency initiatives.

I. Hardening and Enhancing the City's IT Infrastructure

CITIServ: To date, DoITT has successfully migrated 20 agencies to the centralized CITIServ environment, and by next month will achieve a combined cost savings and cost avoidance of \$15.3 million; this of a total program cost savings and cost avoidance of more than \$47 million through Fiscal 2015.

CITIServ “Site B”: Earlier this month, DoITT commissioned a new backup data center (known as “Site B”) designed to “mirror” the citywide Data Center at MetroTech Center in technical architecture, monitoring, reporting, and management tools. To ensure the same business continuity we did for DoITT-supported systems and applications during and after Hurricane Sandy, City agencies will be required to identify their most critical systems currently hosted by DoITT that should be backed up at Site B.

Citynet Upgrade: The upgrade and hardening of the City’s institutional fiber network, Citynet, will also be complete in 2013. When enhanced with its new “omni-directional” optical technology, DoITT can remotely switch light and route traffic around failed fiber path. This upgrade will increase the network’s bandwidth, capability, and resiliency by maximizing the City’s use of available dark fiber – and significantly increase the City’s resiliency to catastrophic events.

NYC311: Even as call volume to the City’s non-emergency service center peaked at more than 270,000 calls per day during Hurricane Sandy, NYC311 remained up and operational throughout the storm. We are now working to further expand call-taking capacity during emergencies by implementing a redundant call-routing solution to ensure continuity of 311 call-taking; by establishing an alternate location for 311 call-takers; and by expanding the use of cloud-based mapping to support emergency activity.

II. Building Upon World-Class Technological Tools

As we harden the infrastructure supporting the City’s IT investments, we also continue to enhance the investments themselves that make New York a global digital leader.

NYC311: I just described the measures taken to expand call-taking capacity at NYC311. And earlier this year, as you know, we marked its tenth birthday. The nation’s largest and most comprehensive government information and services center, NYC311 is available 24 hours a day, seven days a week in nearly 180 languages, and now serves more than 60,000 customers filing 7,700 daily requests via phone, online and text message.

Since its launch in March 2003, NYC311 has received more than 161 million calls and has been a clearinghouse for all things New York City government, providing information on more than 4,000 topics, routing details to the appropriate City agencies and providing customers with service request numbers for use in tracking the progress of their inquiry.

Over the past decade, NYC311 has hosted hundreds of delegations from dozens of countries spanning six continents, and most major United States cities, as a model for non-emergency government service delivery operations. These delegations draw on NYC311’s experience and insights – as the largest customer service center in the biggest city in the nation – on everything from technology to staffing, to business processes, to interagency coordination.

Reinvent NYC.gov: The City’s official website, *NYC.gov*, will be re-launched in the coming months. Today, *NYC.gov* is accessed by over 25 million users each year, and improving the effectiveness of its user interface will enhance service delivery to New Yorkers.

NYCWIn: The New York City Wireless Network (NYCWIn) is the most aggressive commitment by any municipality in the United States to provide a next-generation public safety infrastructure, and has eliminated many of the challenges of data sharing in an ultra-urban environment. Today, there are more than 850,000 network points of presence (POPs) citywide supporting fixed, mobile, and portable applications across 30 agencies. Some innovative applications include:

- The citywide Interoperable Video System, which allows command vehicles and watercraft equipped with mobile cams to generate streaming video to the Fire Department Operations Center (FDOC), City Hall, and the Office of Emergency Management (OEM).
- Police Department (NYPD) mobile and desktop computing for 1,145 NYPD patrol fleet vehicles – which provides for access to mugshot, license plate, domestic violence, and quality-of-life databases, the Real Time Crime Center, and more.
- NYPD Fixed Location Technology – for monitoring critical city infrastructure to support anti-crime/counter-terrorism efforts.
- The Fire Department (FDNY) uses NYCWiN to support “Fireground Monitoring” – which provides the Fire Department the ability monitor vital radio transmissions in real-time, improving firefighter safety. FDNY also uses the network for “Electronic Fireground Accountability System” – which provides real-time radio assignment information of firefighters. This means that firefighters can now simply press a button on their radios to transmit a “mayday” call over the network, instantly identifying them when they are in danger.

Overall, more than 300 applications across 30 City agencies on NYCWiN are enabled running millions of wireless transactions over the network daily.

III. Improving the Management of Technology Projects

TDC: Earlier this year, New York City launched the Technology Development Corporation (TDC), a non-profit organization tasked with improving citywide IT delivery. By infusing talent and discipline, building new capabilities in project management, business analysis, and enterprise architecture, TDC will increase transparency into citywide IT activity and hold contracted technology vendors more accountable for their performance than ever before.

Furthermore, TDC will ensure its one client – the City of New York – delivers IT projects on-time and on-budget, and, unlike private-sector IT consultants, will do so without the aim of turning a profit. It will do so by providing governance over key IT projects during all major project phases, as well as provide a common framework, tools, best practices, and diagnostics for on-time and on-budget project delivery. Management of IT projects through the TDC is expected to save up to \$30 million over the next three years as compared with the costs of contracting with for-profit vendors for the same services.

New Solicitations for Systems Integration & Quality Control: We are also focusing on the technology projects not under the purview of the TDC by opening up a new series of citywide solicitations for Systems Integration and Quality Control services.

Last month, DoITT issued a request for proposals for Systems Integration, or “SI” services. Systems Integrators can now help design, build and implement applications, networks, systems or IT infrastructure by applying to two different classes of service – one for smaller IT initiatives and the other for larger IT projects. The two classes were designed to encourage a diverse range of SI firms to submit proposals, leveraging the city’s talented and ever-growing tech sector. From small start-ups to global IT firms, any SI can apply and help New York lead the way as a tech-driven city. Interest is substantial so far, with approximately 300 attendees joining DoITT as its pre-proposal conference on May 15.

And we will soon be releasing a request for proposals for Quality Control services. Three classes of contract that clearly delineate responsibilities – ranging from requirements gathering to strategic planning, and from audit functions to application testing and project oversight – will help the City divide duties on large projects to avoid conflicts. Clear requirements for reporting and escalation, higher minimum experience requirements, payments tied to City acceptance of agreed-upon deliverables, and integration with the newly-formed TDC can help ensure these new contractors are delivering high-caliber projects to best serve our taxpayers.

IV. Continuing Innovation

As we move into Fiscal 2014 and beyond, DoITT will also continue its innovative work to expand the reach and power of technology directly to New Yorkers.

NYC Open Data: In March, DoITT announced the strides made on implementation of Local Law 11 of 2012, the landmark open data legislation signed by Mayor Bloomberg last year. This included the publication of a crowd-sourced Open Data Policy and Technical Standards Manual for use by agencies when categorizing their public data sets and nearly 2,000 representations of that data on the City NYC OpenData portal (www.nyc.gov/data).

A bevy of new additions will soon be made to the NYC OpenData portal, furthering this Administration's commitment to the transparency that has been its hallmark.

And coming in September, DoITT – with assistance from City agencies – will publish an open data compliance plan categorizing all public data sets held by the City and outlining plans to make them available on NYC OpenData by the end 2018. Beginning July 15, 2014, DoITT will publish annual updates to the open data compliance plan, detailing the City's progress in opening public data sets since its last report. Appointment earlier this year of New York City's first Chief Open Platform Officer further underscores the Administration's commitment to open data – and will help ensure compliance with this historic law.

Crime Mapping: DoITT was recently pleased to support Intro. 984 – championed by Chairman Cabrera – which calls for the creation and maintenance of an interactive crime mapping website. And we look forward to working with the Police Department to deliver this tool by the end of the calendar year.

NYC Developer Platform: Earlier this month, DoITT launched a beta version of the “NYC Developer Portal.” A hub for talented civic developers, this site will help developers make the best use of NYC OpenData, building the City's capacity as a platform for innovation and civic participation.

Broadband Deployment / Enhancing Digital Inclusion – The City's three federally-funded Broadband Technology Opportunities Programs – NYC Connected Learning, NYC Connected Foundations, and NYC Connected Communities – were designed to foster sustainable broadband adoption at home, and create access for all through Public Computing Centers across the five boroughs. And through these programs alone we have served more than 300,000 New Yorkers so far.

These programs, of course, are in addition to the more than \$60 million in public benefits the City has ensured by tapping its regulatory authority over incumbent cable franchise providers. By doing so we are helping bringing free and low-cost WiFi and other tech improvements to public parks, community centers, and commercial sectors.

Parks Wi-Fi: DoITT and the Parks Department, for example, are working with Time Warner Cable and Cablevision to ensure dozens of City parks across the five boroughs are equipped with public WiFi as a condition of their franchise renewals. This service is in addition to the 24 locations in 19 parks now wired for free public WiFi through an agreement with AT&T.

Micro-Trenching: Since fiber is a means by which an increasing share of broadband service is provided, the City also recently launched an innovative pilot program to speed the deployment of fiber optic cabling to businesses and residences across the five boroughs while minimizing construction time, environmental impact, and cost.

Finally, I would like to provide an update on Minority and Woman-owned Business Enterprises. When I last appeared before these committees I described the recognition DoITT received in December, from the Department of Small Business Services, which acknowledged ACCO units for outstanding use of Minority and Women-owned Business Enterprises in the 'Small Purchase' category. Since that time DoITT's own Jennie Torres, Director of Procurement, was recognized by SBS as an "Agency M/WBE Champion" at a citywide ceremony. This award is presented to individuals who go above and beyond in their efforts in providing opportunities for M/WBEs, and we are honored to have Jennie on our team.

Thank you again for the time this afternoon, and we will now be pleased to answer your questions.