Good afternoon Chairs Weprin, Katz and Brewer, and members of the City Council Committees on Finance, Land Use, and Technology in Government. My name is Paul Cosgrave, the Commissioner of the Department of Information Technology and Telecommunications, or DoITT, and New York City CIO. Thank you for the opportunity to testify today about DoITT's Fiscal 2010 Executive Budget and some of the agency's initiatives, accomplishments, and goals for the year to come. With me today are Mitchel Ahlbaum, DoITT's General Counsel and Deputy Commissioner for Franchise Administration, John Winker, our Associate Commissioner for Financial Services, and Vincent Grippo, DoITT's Chief of Staff.

DoITT's Fiscal 2010 Executive Budget provides for operating expenses of approximately $356.8 million, a decrease of $15.4 million from the Fiscal 2009 Adopted Budget. DoITT's Executive Budget decreases are primarily attributable to the elimination of 33 positions throughout the agency, and significant reductions to contractual maintenance costs. The Fiscal 2010 operating budget includes $85.8 million in Personal Services to support 1,143 full-time positions and $271.0 million for Other than Personal Services. Of the $356.8 million, $113.6 million represents Intra-City funds to be transferred from other agencies to DoITT for the services it provides. Telecommunications costs represent the largest portion of the Intra-City expense. Fiscal 2010 Intra-City telecommunications expenditures are budgeted at $91.6 million, while total telecommunications costs are budgeted at $111.0 million.

Most notable among reductions this year is nearly $5 million in savings realized by the renegotiation of various **citywide hardware and software maintenance contracts**. As you know, DoITT has pioneered the development of citywide contracts, enabling the City to leverage its considerable size and purchasing power to ensure significant cost savings for IT goods and services. Notably, in addition to the savings generated these citywide contracts have also enabled agencies to reduce the procurement timeframe for renewing their annual hardware and software support from months to weeks.

Staffing levels at the **311 Customer Service Center** has also seen significant reductions. Today, the call center employs approximately 20% fewer call takers than one year ago, even as it receives 40% more calls. Overall, the call center has received nearly 82 million calls since inception, and more than 7 million in 2009 to date alone. As call volumes proceed at their record pace, it must be noted that 311 service levels – the percentage of calls answered in 30 seconds or less – are decreasing consistent with staff reductions.

To manage record call volumes, 311 continues to aggressively employ new technology measures to efficiently serve customers. The use of automated messaging prior to reaching a representative allows customers to access more commonly-called about information quickly while providing customers who require a representative for assistance more available call takers. Other innovations, such as the ability for the public to both create and check the status of 311 service requests online via *NYC.gov* has helped to reduce the need for a customer to place calls about the same issue. These efficiencies, and more web-based enhancements to come, will better position the call center to continue offering the innovative services New Yorkers expect from 311.

Recent examples include two initiatives – one planned and one unplanned – conducted with the Department of Health and Mental Hygiene (DoHMH). Last month DoHMH launched its annual **Nicotine Patch and Gum Program**, offering free "quit smoking" packages to the public.

Now in its sixth year overall, 2009 marked the fourth consecutive year DoHMH has partnered with DoITT on this successful initiative, enabling callers to register for nicotine cessation patches and gum simply by calling 311. The 2009 program, which ended May 8, resulted in approximately 30,000 enrollees.

DoITT also assisted DoHMH in its citywide response to the current **H1N1 virus cluster** through 311 and *NYC.gov* by keeping the public apprised of recent developments. Through 311, for instance, callers could find information about prevention, symptoms and treatment, as well as request a fact sheet in a variety of languages. Since April 25, 311 has handled nearly 20,000 flu-related calls from the public.

During my previous budget testimony I spoke at some length regarding DoITT's **Shared Services Initiative**. This initiative is aimed at extending our current capabilities and proven methodologies to maximize fiscal investment, increase performance and recognize economies of scale through process consolidation – contributing to the greening of the City's IT infrastructure.   Among the major components of this initiative is citywide data center consolidation, which can reduce the City's data center footprint and realize cost savings, greater energy efficiency, and improved disaster recovery and security capabilities. Today, there are more than 55 data centers across 42 City agencies, consolidation of which should reduce load requirements and provide opportunities for greater savings through citywide standardization.

To this end, we have issued and are now reviewing responses to a Request for Information soliciting feedback on the feasibility, timing, benefits and risks of its proposal to transform the City from a federated to a shared Data Center service model. With construction expected to commence this year, the two-year effort will be aimed at positioning the City to rapidly migrate agencies to the new facilities upon completion.

Aside from our work at 311 and the Shared Services Initiative, there are a number of additional projects DoITT is pursuing, consistent with our belief in the power of technology to be transformative for New Yorkers and the agencies serving them.

In conjunction with the Mayor's Office of Operations, DoITT launched the **NYCStat Stimulus Tracker** on *NYC.gov* in early March. This online tool is continually being updated as Federal stimulus dollars are allocated to the City, allowing New Yorkers to view details about the specific projects receiving funding. Today, the tracker allows users to drill down for information on health and social services initiatives receiving $840 million and infrastructure projects receiving $900 million – including details about project status and timeline, jobs created, the City's contracting and payments for services, and more.

New Yorkers can also use the Stimulus Tracker tool to access a map of project locations across the five boroughs via DoITT's enhanced mapping application.   Launched last month, **NYCityMap2.0** provides several data layers and features available for the first time, including information about the City's current capital construction projects, and the addresses, hours of operation, services offered and language access capabilities of walk-in service centers for various City agencies. *NYCityMap2.0* is built using an innovative, open-source framework that DoITT is standardizing across all City mapping applications to achieve greater efficiencies with current staffing.

Also as part of Federal stimulus package, approximately $4.7 billion will be made available in the form of competitive grants for nationwide broadband deployment and adoption under the **Broadband Technology Opportunities Program**, or "BTOP." Out of this $4.7 billion total, a minimum of $450 million must be allocated to programs that expand broadband in public access centers and that encourage broadband adoption.

The City intends to aggressively pursue funding in these areas – expanding public access and encouraging adoption – particularly among lower income residents. Accordingly, DoITT has submitted detailed comments to, and has met in Washington, D.C. with senior officials from, the National Telecommunications and Information Administration (NTIA), which is administering BTOP. Among other objectives, we seek to substantially increase the $450 million minimum funding available for public access and adoption programs.

Due to the City's comprehensive **Broadband Needs Assessment Study** conducted in 2006-2007 – during which broadband deployment and adoption across the five boroughs was rigorously analyzed – New York City is well-positioned among cities nationwide to aggressively pursue these Federal stimulus dollars. Once this funding is allocated, we believe our targeted, multi-pronged approach toward digital inclusion will allow us to hit the ground running with several shovel-ready projects.

While the City seeks to supplement its ongoing efforts by aggressively pursuing Federal funding for broadband projects, we are also progressing in other areas of broadband expansion. Yesterday, for example, DoITT issued a Request for Information about potential models for equipping an additional **40 New York City Parks and public spaces** with wireless Internet access, otherwise known as wireless fidelity, or "Wi-Fi." With this RFI, DoITT is also seeking comment on how the City can account for new and emerging technologies going forward, and how future solicitations may be modified accordingly.

I would now like to offer the Committees update on some of the significant achievements realized since our previous budget testimony. Our accomplishments with respect to public safety are as follows.

In a truly historic milestone for municipal first responder communications, DoITT has officially accepted the **New York City Wireless Network** (NYCWiN). The high-speed mobile data network for public safety and service represents the most aggressive commitment by any city in the country to provide a next-generation wireless infrastructure. NYCWiN now covers in excess of 95% of New York City's more than 300 square miles.

Among the transformative applications being implemented using this wireless backbone is the City's **Automatic Vehicle Location (AVL)** solution, now being piloted in nearly 400 vehicles across more than a dozen agencies. Of particular interest to the Council is our ongoing work with the Department of Education, whereby 50 AVL-equipped school buses will be pilot-tested this summer for consideration of potential deployment next year.

NYCWiN also makes possible the **Automated Water Meter Reading (AMR)** technology now being implemented citywide by the Department of Environmental Protection. The meter reading receivers, running on NYCWiN's infrastructure, will end the use of estimated water bills, giving homeowners and small businesses more accurate and timely records of usage – and increasing their ability to identify how they can conserve water and reduce water bills. The system consists of small, low-power radio transmitters connected to individual water meters that send readings every six hours to a network of rooftop receivers throughout the City. When fully implemented on all 826,000 meters by 2011, ours will be the largest city in the world to use wireless water metering.

To enable AVL, AMR and myriad other mobile applications, NYCWiN's infrastructure has been deployed across the City, enhancing public safety for New Yorkers, improving the efficiency of City operations, and raising the bar for the administration of municipal government.

Last week I joined Mayor Bloomberg in announcing that the first phase of integrated call taking operations between the Police and Fire Departments has been successfully implemented across the City's 911 system. **Unified Call Taking** streamlines the call-taking process to reduce call handling time for fire calls and allow first responders to reach New Yorkers in an emergency more quickly. To affect some 180,000 fire-related calls per year, Unified Call Taking is among the significant accomplishments of the City's **Emergency Communications Transformation Program** (ECTP), which is designed to centralize and integrate the call taking and dispatch operations among the Police Department, Fire Department, and Emergency Medical Services. Under the program, each agency will benefit from upgraded computer dispatch systems, improved integration and data sharing between agencies, new 911 telephony networks and software, and other significant improvements.

ECTP's next major milestone will be the opening of the **Public Safety Answering Center (PSAC 1)** in Brooklyn. That facility – which for the first time will combine the call-taking and dispatching operations of the Police and Fire Departments – is to be fully-staffed by the fall.

The City is also now in the final process of site acquisition for the backup, load-balancing **Public Safety Answering Center 2 (PSAC 2)**, to be located in the Bronx. Construction of the facility, approved by the City Council last month, is expected to commence later this year and be complete in 2012. DoITT expects responses to a Request for Proposals for a system integrator to perform technical services involved in build-out of the facility later this month.

The Fiscal 2010 Capital Commitment Plan includes a $663 million increase in the appropriation for the ECTP program. This increase will bring the Fiscal 2010–Fiscal 2013 Capital Commitment Plan for ECTP to $1.25 billion, while the total projected cost for both PSAC locations is projected at $2.033 billion.

As you know, our work with the City's Community Boards continues. DoITT maintains an ongoing, active relationship with the City's Community Boards, meeting with Chair Brewer and district managers each quarter to discuss matters of interest to them. DoITT also offers the Community Boards email and website hosting services, as well as desktop and network support. To date, we have built and host 11 community board websites, with a half-dozen more currently in the works. We have also formalized an IT Services Catalog for the boards, describing the available hardware, software and IT services DoITT supports and makes available to Board offices citywide.

Elsewhere, the City's official website, *NYC.gov,* has been chosen to receive the 2009 **Municipal Web Portal Excellence Award**. The award recognizes U.S. cities that have innovative and sophisticated government websites based upon a survey instrument developed by the E-Governance Institute within the School of Public Affairs and Administration at Rutgers University. The research conducted focused on the largest and the second largest cities in each of the 50 states, along with Washington, D.C., and evaluated websites across 98 measures in five categories. Based on its findings, the U.S. Municipalities E-Governance Survey has determined that the New York City was among the top three ranked cities in 2008. We are pleased that *NYC.gov*, which receives nearly two million unique visitors per month and complements 311 by providing 24x7 access to City information and services, is considered among the best government portals in the country. We will – as we always have – continue to enhance the online offerings available through *NYC.gov* to better serve New Yorkers.

Thank you for your time this afternoon. We would now be pleased to address any questions you may have.