

**FISCAL YEAR 2006
PRELIMINARY BUDGET TESTIMONY
DEPARTMENT OF INFORMATION TECHNOLOGY & TELECOMMUNICATIONS
MARCH 16, 2005**

Chairpersons Katz and Brewer and members of the Council's Committees on Land Use and Technology in Government, I want to thank you for giving me the opportunity to meet with you this afternoon and discuss the many initiatives that DoITT is involved with as well as the goals we have set for ourselves in the coming year.

But first, let me introduce myself. My name is Gino Menchini and I am the Commissioner of the Department of Information Technology and Telecommunications, otherwise known as DoITT – and the Chief Information Officer for the City of New York. With me today are First Deputy Commissioner, Larry Knafo, Deputy Commissioner for Finance and Administration, Margery Brown, and Mitchel Ahlbaum from our General Counsel's Office.

The last three years have been demanding and hectic however I believe that we have moved in a direction that provides the most value for our agency, our client agencies and of course the public. In order to provide focus and deliver technology according to the City's business objectives we recently developed a strategic plan that outlines four goals. The first of these goals is to use technology to improve and increase public access to government services; the second, to reduce the cost of technology, investments and best practices. Our third goal calls for us to strengthen the City's plans, resources and processes for responding to IT and telecom Critical Events and Emergencies. And lastly, we are focusing on building relationships with other organizations to further develop technical solutions and services that benefit the City.

I would like to speak to you today about our accomplishments over the past year that are helping us to achieve these goals and some initiatives we have planned for the coming year.

USING TECHNOLOGY TO IMPROVE PUBLIC ACCESS TO GOVERNMENT

There are three divisions within DoITT that directly help to increase the public's access to government services: the 311 Citizen Service Center, NYC.gov and our NYC TV Media group.

Just last week we celebrated the second anniversary of the launch of **3-1-1**. On that day, March 9th 2005 we passed our 18 millionth call – testimony to the fact that 3-1-1 continues to provide New Yorkers with one easy to remember phone number for non-emergency City government information and services. All calls to 3-1-1 continue to be answered by a live operator, 24 hours a day, seven days a week, with services provided in over 170 languages. Our service level continues to be excellent with the average time it takes for a caller to be connected to a live operator on average remaining below 30 seconds. On average 3-1-1 receives

40,000 calls per day, with daily call volume reaching as high as 130,000 calls in a single day.

We are handling on average over 30 percent more calls today than we were last year when I gave my last budget testimony - and we are doing so without additional financial resources. In a time when New Yorkers expect more from government, but the resources government have are limited, 3-1-1 consistently meets and exceeds expectations.

In order to do more with less we have improved the way that we use technology to handle the call volume and have enhanced our call taker training and quality assurance efforts. Over the coming months, we will be further refining our staffing model to ensure that we run a cost effective operation that provides the highest possible level of service. Currently we utilize the services of an outside contractor, **King Teleservices**, to help handle our high call volume. As our call volume has grown, so has our reliance on King. Currently we have approximately 335 call takers and King has approximately 135. We are continually reviewing our operation and considering ways to improve how calls are handled. Based on our analysis the current mix may change depending on our analysis of volume trends, quality assessments, training capabilities, facility needs and a number of other factors.

Staff at 3-1-1 are continually adding content and information on City programs and services. In addition we have added a variety of new services and started handling calls for **additional agencies**. For instance, we recently started handling calls for the Department of Health and Mental Hygiene's main Call Center, Central Complaints, and Women's Health. In addition, 3-1-1 began taking service requests for the Parks Department; and 3-1-1 call takers are now scheduling Plan Examiner appointments for the Department of Buildings.

I'd like to spend a moment talking about this initiative because it demonstrates how 3-1-1 can improve the efficiency of City agencies. Prior to 3-1-1, scheduling a **plan examination at DOB** was an arduous process. Expeditors routinely booked up all available time slots, making it difficult for ordinary people to schedule an appointment. Expeditors also tended to schedule appointments only with inspectors that they knew. When expeditors failed to show for their appointments, plan examiners had large gaps in their day where they could not serve others. The impact of this combination was stunning inefficiency – appointments were difficult to obtain, and needed to be scheduled months ahead of time – while inspectors sat idle waiting for missed appointments.

By instituting a scheduling system to 3-1-1 we have dramatically improved the manner in which these inspections are now handled. Through automation improvements and process reengineering we can now control who schedules appointments, when they are scheduled and with whom the industry speaks. The results have been remarkable. The time it now takes to get an appointment has decreased from weeks to just days. Inspectors are now booked to do their job

when people need them – and the Buildings Department has gained control of how it schedules appointments.

Some of our other improvements include the flexibility to accommodate special initiatives that include an intake portion or providing information to a large number of people, which would otherwise be difficult for them to achieve on their own. Last year 3-1-1 took calls from applicants wishing to reserve a seat for the June **Police Exam**. The process that was used reduced the costs of conducting the exam considerably by reducing the amount of no-shows for the exam. 3-1-1 also worked with the RNC, NYC and Co. and other City agencies to prepare for the Republican National Convention that was hosted in NYC in August 2004. 3-1-1 was used as a gateway for convention information for participants, media and all of the residents and businesses in NYC.

3-1-1 continues to be an outstanding tool on many levels, including allowing the City to handle a large number of calls, even in cases where the volume increase is unanticipated. The infrastructure, telephony capabilities, and staffing models are such that they can be quickly adapted to accommodate a variety of situations. This has been especially useful during the **colder months** when there have been extraordinary numbers of HPD Landlord Complaints regarding conditions of no heat / no hot water in buildings; this past September when we received over 55,000 calls about **flu vaccinations**; and when City agencies make special announcements as when the Department of Finance announced it had begun mailing property tax rebate checks.

Coming up in FY 2006 we have a number of new additions to our 3-1-1 capabilities. DoITT will develop and implement an **analytics tool** to facilitate citywide customer service metrics and performance management. This project will be instrumental in our ability to respond to the requests we regularly receive regarding reporting on our data, as our current capabilities are limited by the multiple systems that are still utilized by agencies and therefore must be utilized in the 3-1-1 call center. It will also support our efforts to offer 3-1-1 statistics through NYC.gov, which can then be used as a reference tool by City agencies, elected officials, community groups, and the general public.

3-1-1 is working with a number of agencies to increase the types of calls 311 call takers can handle, including calls related to the Parks Department's new pilot program, **Trees and Sidewalks**, that will offer free sidewalk repairs to qualifying one-, two- and three-family residential properties; **West Nile Virus**; the **smoking patch distribution program**; Flu Line; Small Business Services initial intake; and scheduling functions to all City agencies.

In addition to 3-1-1, the City also provides public facing services through our website, **NYC.gov**. The site contains over 47,000 pages of content, almost 400 on-line forms and 50 interactive applications. Last year our website was visited by over 6.8 million unique visitors with the overall number of hits reaching over 29 million.

In the past 12 months we've completed several large projects including the deployment of a new email campaign tool that has increased the number of NYC.gov registrants by almost 150%, an events calendar that is widely used by agencies and 3-1-1, and we've assisted agencies in designing their websites and deployed our content management tool to over 40 City agencies.

Over the coming year we will be implement a New Search Engine to make it easier to find information on *NYC.gov*. Users will be able to type in a question rather than using keywords. In addition, new tools will be added to NYC.gov to make it easier for agencies to provide subscription e-mail services to interested parties, such as health updates, auctions, new solicitations, and newsworthy events. A new photo gallery is being developed to allow agencies to easily post and manage photographs on *NYC.gov*. Once implemented, the public will be able to browse and purchase from a vast library of rare photographs from many different City agencies.

DoITT's Citywide **GIS** Unit which is responsible for developing and maintaining a repository of current, accurate spatial data regarding the City of New York, provides the public with geographically-based information on *NYC.gov*, such as "My Neighborhood", and provides City agencies with spatial data and digital maps.

Users of NYC.gov can also watch **NYC TV** online, another outlet where DoITT has improved the public's access to City government. As my Deputy, Agostino Cangemi, testified before you just last month, I will not go into any great details on NYC TV at this point, but will be happy to answer any questions you may have. There are, however, two things I would like to mention.

First, due to some programming changes, **Channel 74 will be freed up** for increased hours of traditional municipal government programming. As of January 30th, City Council meetings and press conferences will be aired a total of 46 hours per week, up from 16.5 hours, a 179% increase in airtime, with new slots in the morning, afternoon and regular three-hour blocks in primetime.

And secondly, I am pleased to report that NYC TV has received **thirteen New York Emmy Award nominations**, local television's most coveted peer recognition award. The winners will be announced at an Award Ceremony on Sunday, April 3, 2005. The programs that have received nominations include "Cool in Your Code", "Blueprint: New York City", and a number of promotional announcements.

LEVERAGING THE CITY'S TECHNOLOGY INFRASTRUCTURE AND INVESTMENTS

In support of our second goal, to better leverage the City's infrastructure, investments and best practices, DoITT has a number of major telecommunications and data center projects underway. In order to provide the broadest service offering DoITT now supports all major technology platforms, operating systems and databases, and continues to seek out new technology and develop best practices to expand the City's technical capacity. In addition to the services provided by DoITT, agencies continue to be reliant upon their own hardware,

software and personnel therefore we have been working to improve hiring practices and IT procurement – an effort that benefits all IT professionals.

The accomplishments and goals in the **telecommunications** arena are significant. We recently completed an upgrade of DoITT's **800 MHz Trunked Radio System**. This federally funded project provides for a robust and redundant platform thereby enhancing the capabilities of the system and ensuring that it maintains a high level of reliability, and remains state of the art. The system was originally installed fourteen years ago and has played an important role in creating an interoperable radio network during emergency situations. The system is a shared one utilized by over 34 City agencies, 75 hospitals and provides a mission critical resource to these agencies. The total combined number of radios that operate on the system exceeds 8,000 mobile and portable radios.

Another major project underway is the implementation of a **Channel 16 Citywide Radio Network**. The System will meet the citywide mission critical communications of public safety agencies, relieve channel congestion experienced by City agencies, and enhance citywide interoperability. Agencies that will be supported include, the Fire Department (including EMS), OEM, Department of Corrections, Department of Transportation, Department of Parks and Recreation Enforcement, Department of Sanitation Police, Health and Hospitals Corporation Security and the NYC Sheriff's Office, as well as other public safety agencies that require future radio services.

In addition, OEM and DoITT will each have the ability to provide a link between the existing DoITT 800 MHz radio system and the new Channel 16 System, providing for important inter-agency communication needs. It will provide additional capacity, improved system coverage, and the ability to communicate across the boundaries of today's independent infrastructures. This clearly establishes a solid business foundation for a multi-band capable platform.

An RFP to select an integrator was released last year to which responses were received in May 2004. An evaluation team has completed the review of the proposals and has selected a vendor, contract negotiations are currently underway.

In addition to voice communications, a critical need for data transmission has been identified. In response to this need, DoITT, in conjunction with the Police, Fire and Transportation Departments, plans to implement a **Citywide Broadband Wireless Data Network** to provide next-generation, interoperable communications across key agencies. Such a network can provide state-of-the-art support to public safety personnel in the NYPD, FDNY, EMS and other agencies in the performance of both "routine" public safety functions and extraordinary first response needs.

Future dramatic advancements in public safety require access in the field to such things as real-time video and rapid database file transfers, including maps, building layouts, medical records and missing person images. This Network will deliver a major public safety benefit to public safety personnel, residents and

visitors. It will represent a new “generation” of wireless public safety communications.

In response to the RFP we released last year, we received seven proposals from among the country’s top systems integrators – offering a cross-section of technological and spectrum “solutions.” The City will soon award contracts to at least two vendors to run a pilot demonstration project. Based on their performance in the pilot, the City will choose one vendor to implement the citywide network. Pilots are expected to run in the fall, with full implementation to commence in January 2006.

DoITT will be further leveraging the City’s resources by leasing our **street poles** to private companies. In July 2004, the City franchised six companies to install antennas on street poles throughout the City for wireless technologies, which will greatly improve reception for cell phones and wireless internet devices, including devices within buildings. These installations will improve spotty cell phone reception. Of the six companies franchised, one will be providing phone access over the internet, which will provide a lower-cost alternative for phone service to low income families. Possible future applications – besides voice and 3G data – include VoIP, Wi-Fi, and WiMax.

I understand the Council's Land Use Committee passed Resolution 519 earlier this morning and I would like to thank Councilmembers Katz and Avella for working with the Administration in passing this resolution.

This project may generate significant revenues. However, until we have our first auction, we cannot be sure of the interest. Therefore, in the financial plan, we have reflected only those revenues needed to cover the costs of operating the program.

In addition, DoITT is negotiating with various companies to provide “**carrier-neutral**” **lateral fiber conduits** to extend the City’s main fiber backbones to individual building lines. These conduits can then be used by any of the City’s telecommunications providers to run their own fiber. Reducing the need for carriers to construct their own conduits to run fiber will result in less street construction and cost-savings for customers.

In order to leverage the infrastructure and resources of DoITT’s **datacenter and network environments**, we continue to bring additional agencies into our datacenter and to provide access to our wide area network where appropriate. Currently, DoITT houses systems from the Department of Finance, New York City Housing Authority, the Law Department, the Department of Citywide Administrative Services, and the Department of Transportation; and will be consolidating the Department of Education’s datacenter into the DoITT datacenter this spring. Discussions are also underway with the Department of Transportation.

Branching out from our more traditional service offerings, DoITT now offers a centralized environment for providing **email** services for City agencies. This

ensures greater security and relieves agencies of the need to manage their own email environments. DoITT currently supports more than twenty agencies with over 11,000 users, and anticipates adding another 13,000 over the coming year. New technology to improve the City's ability to archive email will also be implemented during 2005.

In addition to offering its infrastructure to other agencies, DoITT has implemented and supports common applications and tools that can be leveraged by all City agencies. The Mayor's Office of the Criminal Justice Coordinator (CJC) and DoITT have partnered to implement an Integrated Justice Solution (IJS) – also referred to as **Datashare** – to expand information-sharing across multiple criminal justice agencies and jurisdictions. IJS is intended to advance public safety, and improve operational efficiency and inter-jurisdictional collaboration within and beyond the City's criminal justice community. The project's immediate objectives focus on implementing two key components: a portal to facilitate accessing information in a timely and secure manner; and an integration platform to facilitate efficient data and message exchanges between seventeen agencies. In addition, the infrastructure created for the Datashare project will support the City's overall data integration needs.

While the provision of infrastructure resources and tools continues to be the core mission of DoITT, we have also expanded our service offering to include assisting agencies in the areas of IT staffing and procurement.

In collaboration with the Department of Citywide Administrative Services and the Office of Labor Relations, DoITT has established four new **information technology Civil Service titles** for highly specialized technical positions. These titles will enable the City to efficiently strengthen its IT workforce and reduce the need for consultants. In addition to the required education and experience, employees in these new titles will require professional or vendor certification, which provides an additional measure for verifying skills.

These titles have assisted us in our goal of reducing our reliance on consultants for long term projects. In the past year we have hired over 120 IT professional into lines that would otherwise have been filled by consultants, reducing our project costs by over \$14 million this year, with a full annual cost savings of approximately \$28 million.

In addition, DoITT has established a number of Citywide, cost-efficient **IT contracts** to allow agencies to more efficiently acquire system integration, consultant and other IT-related services. In addition to expediting the procurement process, these contracts will reduce costs by leveraging the overall buying power of the City.

In the coming year we will establish additional citywide contracts, including a number of contracts for **Voice and Data Services**. This will be the first time that New York City has competed the provisioning of these types of service, rather than relying on tariffed offerings. We anticipate significant savings from this effort.

In addition, we will be negotiating citywide **Hardware and Software Maintenance Agreements**. Today, each City agency is responsible for obtaining and administering its own hardware and software maintenance agreements. By consolidating these efforts, DoITT will combine volume, thereby maximizing discounts.

RESPONDING TO CRITICAL EVENTS AND EMERGENCIES

And now for one of DoITT's most critical roles: DoITT has been designated as the lead agency for responding to telecommunications outages, and for cyber-attacks, along with the Police Department. As such, we have a number of important initiatives underway to ensure the appropriate security of the City's IT and telecommunications assets, and to strengthen the City's ability to effectively respond to critical events.

Last year I spoke to you about our plans to upgrade and improve the City's **911** emergency communications systems. This multi-year initiative is aimed at providing much needed technology improvements to virtually all of the components of the City's 911 system – from the phone system that carries 911 calls, to the facilities where those calls are handled, to the radio and dispatch communications systems that allow responders to get to the scene of emergencies.

In addition to replacing and upgrading the technology behind 911, we are working to vastly improve the manner in which 911 calls are handled. By creating a unified 911 center – one where police, fire and EMS work side by side, we move to the standard being adopted across the country – a standard where interoperable communications are part of every 911 call that is received. By moving in this direction, New York will be able to respond better, faster, and smarter as we service approximately 11.5 million New Yorkers that require 911 services every year. This number has dropped from over 12 million a year as a result of 311 handling non-emergency calls that otherwise were going to 911.

Over the past year, DoITT has made significant progress towards a unified 911 system. Working closely with the Police and Fire Departments – as well as the Department of Citywide Administrative Services, Office of Labor Relations, the Office of Management and Budget and all of the unions that represent our emergency call takers and dispatchers, we have laid out a four staged plan that brings us to our vision of a unified emergency operation.

Much of our initial effort has been focused on the Fire Department where critical upgrades were required. For instance, during the past year we **completed the replacement of radio towers** in Brooklyn, Queens, Staten Island, and the Bronx. These radio towers were at the end of their useful life and some even threatened eventual collapse.

In conjunction with the tower replacement project, we also **started renovation of the Fire Central Offices**. These communications offices will serve as short term

dispatch and backup facilities for Fire Department and ultimately be used as critical network nodes. As part of the renovation we have already completed the implementation of a new logging and recording system that will allow the Fire Department to monitor and replay 911 calls and radio transmissions. We are also currently in the process of upgrading the Fire Department's radio network.

In addition to the work being completed at the Fire Department, DoITT recently vacated space at 11 MetroTech and **moved into nearby 15 MetroTech** to allow space for the new PSAC 1 facility. As of last week demolition of the third floor of PSAC 1 was complete and construction on the site is beginning. The site is on schedule to be available for technology outfitting in October of this year.

DoITT has also worked closely with the Fire Department and Police Department to **begin the development of a new computer aided dispatch system** that will ultimately serve the needs of both agencies. On the Fire front, we have completed the gathering of requirements and are now validating how those requirements will be used to build the new system. Due to an earlier start, the Police Department is beginning preparations for a pilot phase of the dispatch system within its transit bureau, and expects to continue the rollout to the remainder of the Department over the next year. Following deployment to both PD and FD we will begin to bring the systems together to create a unified system.

Beyond these initial activities DoITT has been working diligently with FD and PD to develop a long-term strategy and implementation plan for the entire project. During the past year we have conducted several procurements that will provide us with critical project components as we move forward. We are also nearing completion of a solicitation for a new e911 network, and a system integrator to assist with project implementation.

In the coming year we will complete the development of the PSAC 1 facility. The opening of the new PSAC 1 facility will coincide with implementation of the first phase of our new e911 system. The e911 system will replace an antiquated phone network and support both police and fire operations. Once the PSAC 1 facility is complete we will begin to move staff from the Fire Department and EMS into PSAC 1. At that point we will split operations between PSAC and the existing FD and EMS facilities in order to increase the level of redundancy that we maintain until PSAC 2 is complete.

While PSAC 1 is being completed we will be working on the development of the PSAC 2 facility. This new state of the art facility will ultimately share the load of 911 calls with the PSAC 1 facility.

During the next year the Police Department will also go live with the implementation of their CAD system for the patrol and housing bureaus. We will also be piloting an automated vehicle location system within the Fire Department Emergency Medical Services Bureau. This new capability will allow us to better understand where ambulances are located in order to get the closest ambulance

to the scene of an emergency. This will ultimately result in reduced response time for EMS.

Another step DoITT has taken to ensure the City's ability to mobilize materials and staff quickly, in the event of an emergency, is the development of a **contract for IT and telecommunications planning and response services**. This contract will allow us to develop detailed response plans, to test those plans and in the event of a critical incident, to immediately engage a large, experienced vendor to restore operations.

In order to prevent and respond to computer virus attacks, we have developed **emergency response procedures** for local and widespread attacks, including the availability of a web-based portal where critical information and software patches can be downloaded by agencies. At the time of an imminent threat or actual attack, DoITT conducts outreach to agency CIO's and provides onsite assistance when required. In addition, a new Technology Security Services contract is planned for implementation later this year that will provide City agencies with rapid access to a wide array of technology security services, from threat assessment to the installation of intrusion prevention technologies.

And lastly, NYC TV is developing a new **emergency public communications system** that will allow for the instantaneous broadcast of critical information to the citizenry from anywhere in the city through the news media. Four radio stations have agreed to participate in the new Emergency Alert System, which will allow an emergency message to be radioed to the stations. Once a message airs on one of these four stations, the other stations will receive the message and can choose to rebroadcast it. We will also install special equipment at 911 and 311 to ensure that the City's front-line call takers have the latest information in the event of an emergency. In addition, existing facilities will be retrofitted throughout the City to allow City officials to conduct news conferences and transmit the feed live to the media through fiber-optic lines.

DEVELOPING STRATEGIC PARTNERSHIPS

To achieve our fourth and last goal – one that helps us achieve the prior goals I spoke about as well helping other agencies in achieving theirs – DoITT has been building relationships with other entities, including City agencies and other non-City government agencies, and the academic, non-profit and private-sectors.

As you may know DoITT has joined with the **City's Economic Development Corporation to form the Telecommunications Policy Advisory Group (TPAG)**. The purpose of this group is to ensure that the key telecommunications-related concerns of City residents and businesses inform new initiatives for improving the telecommunications infrastructure in the five boroughs. The group has developed a series of telecommunications policy recommendations intended to promote network reliability and to stimulate technological innovation and economic development in New York City that will be released shortly.

The City, through DoITT, is the first municipality invited to sit on the **FCC's Network Reliability and Interoperability Council (NRIC)**. Composed of approximately 35 CEO-level telecom industry representatives, the NRIC's mission is to provide recommendations to the industry on how to ensure optimal reliability of wireless, wireline and public data networks. The City's participation will ensure industry responsiveness to the public's needs for reliable wireless network performance, especially during emergencies.

And lastly, to promote interaction, communication, and collaboration between City agencies, DoITT holds quarterly **meetings with the CIO's and MIS directors**. Many of the initiatives that are currently underway have sprung from these efforts, including the new IT titles, enterprise email, and our citywide contracts. All of our **service offerings** will be published on the web this week to ensure all agencies have access to our resources.

DoITT's fiscal year 2006 budget will enable us to accomplish the goals that I have just laid out. The Preliminary Budget provides for operating expenses of approximately \$267 million, an increase of \$32 million over fiscal year 2005's forecasted budget. The increase is attributable to additional **ECTP** maintenance requirements. The budget includes \$60 million in Personal Services to support 971 full-time positions and \$207 million for Other Than Personal Services (OTPS). Of the \$207 million, \$104 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 year 2005 Intra-City telecommunications expenditures are budgeted at \$94 million, while total telecommunications costs are budgeted at \$98 million.