

THE COUNCIL OF THE CITY OF NEW YORK



Hon. Christine C. Quinn
Speaker of the Council

Hon. Domenic M. Recchia, Jr.
Chair, Committee on Finance

Hearing on the Fiscal 2014 Preliminary Budget & the Fiscal 2013 Preliminary Mayor's Management Report

Department of Design and Construction

March 4, 2013

Nathan Toth, Deputy Director

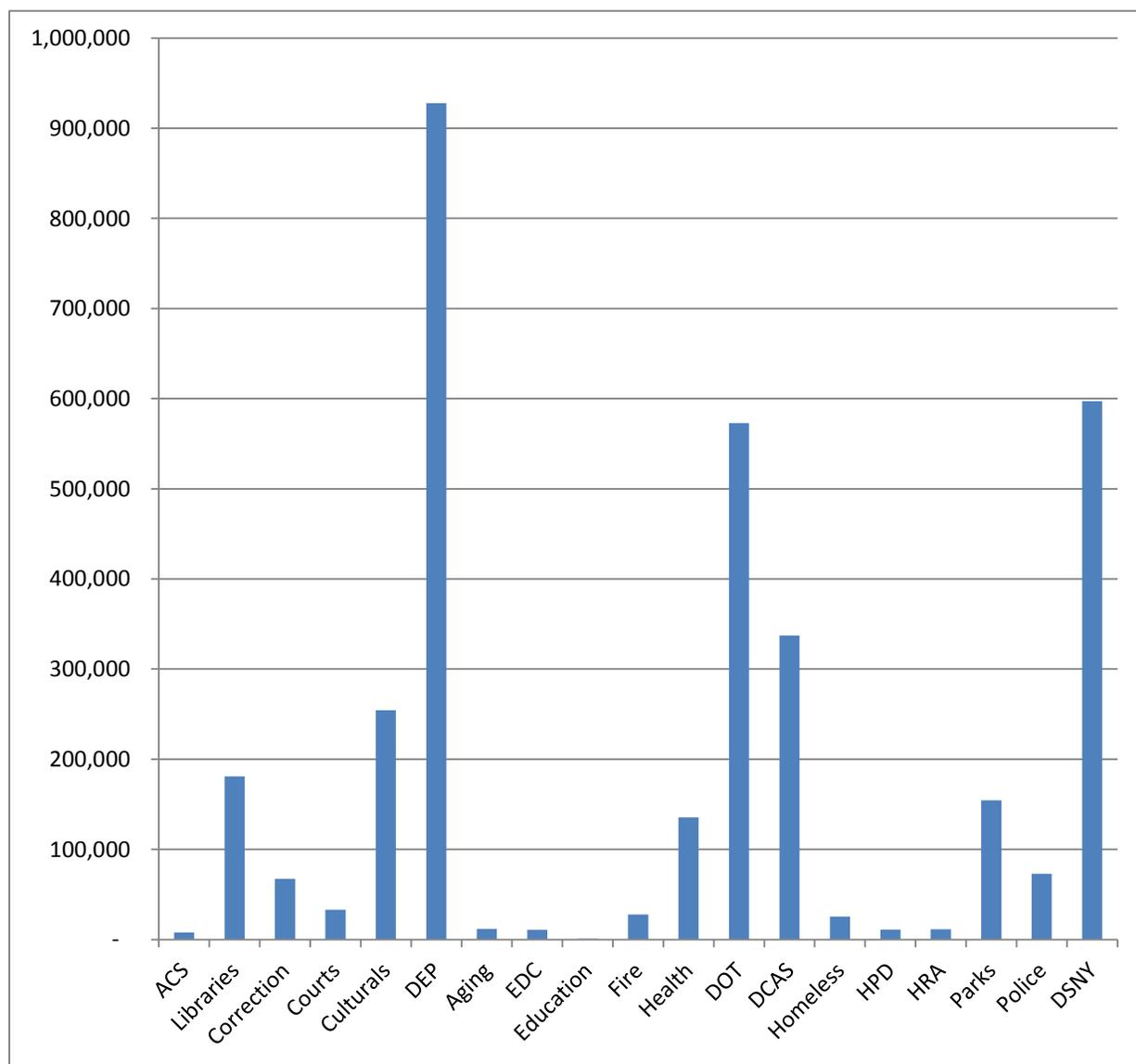
Finance Division
Preston Niblack, Director
Jeffrey Rodus, First Deputy Director

Summary and Highlights

The Department of Design and Construction’s (DDC) mission is to deliver the City’s Capital Construction projects in a safe, cost-effective manner, while maintaining the highest degree of architectural, engineering and construction quality. The DDC performs design and construction functions related to streets and highways; sewers, water mains, correctional and court facilities, cultural buildings, libraries, schools and other public buildings, facilities and structures. Currently the DDC manages all or a portion of 19 client agencies capital budgets, the table below summarizes DDC’s FY12 Commitment Plan by client agency.

Department of Design and Construction’s FY 13 Commitment Plan by Agency

Dollars in Thousands, including IFA and contingency



Budgetary Highlights

As the City's capital construction agency, DDC is given much latitude in determining the method by which capital contracts are let. DDC utilizes a few different special contracting procedures for awarding capital work including requirements contracts, pass-thru contracts, negotiated acquisitions and sole-source contracts. These methods allow DDC to award contracts in instances when competitive sealed bidding is not practicable or advantageous. The Adopted Fiscal 2013 budget included funding for 1,142 employees, as of February the agency's modified headcount has increased to 1,306. DDC's Fiscal 2014 budget is based upon a headcount of 1,142 which has increased by 160 from Fiscal 2013 Adoption. The increase in heads represents the dramatic increase in the City's Preliminary Capital Plan and will be funded with an increase in Capital IFA funding.

Department of Design and Construction Financial Summary

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Jan. Plan	2014 Jan. Plan	*Difference 2013 - 2014
Personal Services	\$127,276	\$87,469	\$90,899	\$96,601	\$9,132
Other Than Personal Services	0	19,872	35,559	20,348	476
TOTAL	\$127,276	\$107,341	\$126,458	\$116,949	\$9,608
Funding					
City Funds	N/A	\$6,823	\$6,823	\$6,823	\$0
Capital Funds I.F.A.	N/A	100,518	103,431	110,126	9,608
Federal – Other	N/A		19,956		0
Intra-City Other	N/A		1,249		0
TOTAL	N/A	\$107,341	\$131,459	\$116,949	\$9,608
Positions					
Civilian	1,095	1,142	1,306	1,302	160
TOTAL	1,095	1,142	1,306	1,302	160

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 January Plan funding.*

Preliminary Mayor's Management Report

The Mayor's Management Report (MMR), which is mandated by the City Charter, serves as a public report card on City services affecting New Yorkers. The MMR is released twice a year. The Preliminary MMR provides an early update of how the City is performing four months into the fiscal year. The final MMR, published each September, looks retrospectively at the City's prior fiscal year performance.

The Department of Design and Construction (DDC) manages a design and construction portfolio of more than \$7 billion of the City's capital program. Projects range from

roadways, sewers and water mains to public safety, health and human services facilities, as well as cultural institutions and libraries. DDC uses a combination of in-house staff and private consultants and contractors to execute its mission.

Performance Goals and Measures:

- ✓ **Complete projects on time and within budget.**
- ✓ **Meet quality assurance and site safety standards for all active projects.**
- ✓ **Improve customer satisfaction ratings**

DDC is performing admirably in meeting their main goal of completing their projects on time and within budget. DDC has completed 90 percent of its design projects either early or on time in Fiscal 2012 which is down from 95 percent in Fiscal 2011. However, infrastructure construction completions on schedule have increased from 83 percent in Fiscal 2010 to 89 percent in Fiscal 2012 and both figures exceed their target level of 80 percent.

DDC's Customer satisfaction has improved dramatically from 86 percent in Fiscal 2010 to 94 percent in Fiscal 2012. DDC has held this level of customer satisfaction through the first four months of Fiscal 2013.

Performance Statistics	Actual			Target		4-Month Actual	
	FY10	FY11	FY12	FY13	FY14	FY12	FY13
Design projects completed	126	127	141	130	*	42	30
Total design projects completed early/on time (%)	NA	95%	90%	*	*	NA	NA
★ - Completed early/on time: Infrastructure (%)	95%	99%	91%	88%	88%	NA	NA
★ - Completed early/on time: Public buildings (%)	88%	91%	89%	88%	88%	NA	NA
Total construction projects completed early/on time (%)	NA	86%	84%	*	*	NA	NA
★ - Completed early/on time: Infrastructure (%)	82%	83%	87%	82%	82%	NA	NA
★ - Completed early/on time: Public buildings (%)	88%	88%	81%	82%	82%	NA	NA
- Construction completed on schedule (%)	83%	89%	89%	80%	80%	100%	87%
★ Active construction projects: Early/on time (%)	87%	91%	88%	*	82%	88%	84%
★ Active design projects: Early/on time (%)	91%	87%	86%	*	88%	86%	82%
★ Active construction projects: Difference between projected and scheduled duration (%)	2.7%	1.6%	1.9%	*	2.5%	2.2%	2.3%
★ Active design projects: Difference between projected and scheduled duration (%)	0.1%	1.1%	1.2%	*	1.5%	1.2%	1.7%
★ Respondents rating a completed project as adequate or better (%)	86%	86%	94%	*	85%	91%	94%