



# sanitation

Kathryn Garcia  
Commissioner

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**Kathryn Garcia, Commissioner**

**Hearing on the FY 2016 Executive Budget  
Before the New York City Council Committees on  
Sanitation and Solid Waste Management and Finance**

**Tuesday, May 26, 2015  
10:00 A.M.  
City Hall – Council Chambers**

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Good morning Chair Reynoso, Chair Ferreras, and members of the City Council Committees on Sanitation and Solid Waste Management and Finance. I am Kathryn Garcia, Commissioner of the New York City Department of Sanitation. I am joined by Dennis Diggins, First Deputy Commissioner, and Larry Cipollina, Deputy Commissioner for Administration and Financial Management. I would also like to introduce to you Jose Atkinson, our new Deputy Commissioner for Solid Waste Management. We appreciate this opportunity to testify on the Department's expense and capital portions of the Mayor's Fiscal Year 2016 Executive Budget.

## **Budget Highlights**

The FY 16 Executive Budget allocates \$1.54 billion in expense funds to the Department, of which \$886.8 million is for Personal Services, and \$656.7 million is for Other Than Personal Services. Our budgeted headcount for the FY 16 Executive Budget is 9,674. The funding resources made available to the Department by this budget will allow us to meet our core service obligations to the public by keeping New York City healthy safe, and clean without any cuts to service frequency or staffing.

The Department's capital portion of the FY 16 Executive Budget is \$265.6 million, including \$114.6 million for vehicles and other essential equipment. Since March, when I appeared before you on the FY 16 Preliminary Budget, I am very pleased to report a significant increase of funding across the ten-year capital plan that will allow the Department to:

- Construct a new sanitation garage in Brooklyn Community District 3;
- Construct a new sanitation garage for Staten Island Community District 1; and
- Replace the current Queens 11/13 Garage.

In addition, from FY 16 to FY 20 the Department is funded to:

- Complete construction of the Hamilton Avenue MTS;
- Continue the ongoing construction of the East 91<sup>st</sup> Street MTS, which we expect to be completed in mid-2017;
- Continue the ongoing construction of the Southwest Brooklyn MTS, which we expect to be completed in early 2018;
- Continue the modernization of the West 59<sup>th</sup> Street MTS, together with demolition of the Gansevoort MTS;
- Complete construction of the new Manhattan 1/2/5 Garage this fall;
- Design and then begin construction of a new Manhattan 6/8/8A Garage; and
- Replace the Bronx 9/10/11 garage.

The Department's capital portion of the FY 16 budget also includes \$3.4 million to install new bathrooms and locker rooms for the Department's female workers. We're moving ahead in the procurement process to construct separate female facilities at five locations which we expect to be completed in FY 16. The Department recently completed an assessment of fourteen garages where female workers currently share facilities with other neighboring garages in order to develop scopes of work necessary for these locations. We will leverage all of our available resources in order to address facility upgrades for all of our uniformed workers.

To maximize our resources, the Department projects to achieve savings in the FY 16 budget that will include:

- the conversion of existing technology consultant contracts to full-time City positions;
- \$24 million in tip fees associated with the long-term export contracts; and
- \$11.2 million in our headcount associated with the revised schedule for operating the new marine transfer stations.

### **Sustainability and Recycling**

Last month Mayor de Blasio released the City's new comprehensive sustainability plan, One New York: The Plan for a Strong and Just City. The Plan sets forth a number of bold environmental initiatives including the ambitious goal of sending zero waste to landfills by 2030. Going forward in FY 16, the Department will embark on an aggressive agenda consistent with our commitment to increase recycling participation and diversion, and set the City on a path to achieve the Plan's zero waste goal.

Organic waste, comprising more than 30% of the refuse the Department collects, represents the largest portion of New York City's waste stream. We know that in order to achieve our ambitious goals, we must have a robust organic waste diversion program. Since the Department's voluntary residential organics collection program began two years ago as a small scale pilot serving 3,200 households in the Westerleigh neighborhood on Staten Island, it has grown to serve more than 100,000 households with more than 240,000 residents. Over the next month we are expanding the program to another 33,000 households that will bring us to a total of 133,000 households we service with nearly 340,000 residents -- a population equivalent to a mid-size city. We also have 148 high-rise apartment buildings currently enrolled in the pilot organics collection program in Manhattan and Brooklyn serving 16,332 households, and another 432 residential high-rise buildings going through the enrollment and outreach process.

Building on our progress to date, the Department will work to make organics recycling available to every New Yorker by 2018. Starting this year, I am pleased to announce that we have base-lined funding for the current pilot in our FY16 expense budget that will allow the Department to continue the organics collection program beyond Local Law 77's sunset provision this year. But recycling doesn't stop when we exit the front door of our apartments and homes.

The Department will continue supporting Green Market Drop-Off Programs across the City where residents can drop off their organic waste for collection. New York City currently has 225 community composting sites. Working with our neighborhood partners and local non-profit organizations, we will promote the expansion and growth of new community composting sites across all five boroughs.

Recognizing that our City's schools are educating the next generation of recyclers, we also have more than 720 schools in areas of all five boroughs currently participating in school organics collection. Building upon this significant effort, we will work collaboratively with our partners at the Department of Education to launch the first 100 "Zero Waste Schools," selected from all five boroughs, with the goal of diverting all recyclable or compostable waste from those schools within five years.

Additionally, the Department recognizes the great opportunity to divert recyclables in low income housing, and has partnered with NYCHA to bring all of their developments into operational compliance with the City's recycling mandates by the end of 2016. We are working collaboratively with NYCHA to build infrastructure, ensure smooth sorting and set-out operations, and educate staff and residents why, what and how to recycle. In fact, "NYCHA Recycles" has already begun with the first five developments having rolled out the program, including the installation of recycling stations, mailers to residents, development-wide recycling signage, trainings for staff, and a kick off meeting for residents.

To increase overall diversion and participation rates in the City, we are continuing to move ahead with several other important recycling initiatives. This year we are doubling the number of household hazardous waste drop-off events held in each borough. The Department is also working with its partners, Housing Works and Electronics Recyclers

International, to expand our re-fashionNYC and e-cycleNYC programs in apartment buildings in all five boroughs so that residents can drop off unwanted clothing and electronics free of charge. There are presently 576 buildings with 98,671 households participating in the re-fashionNYC program. Additionally, there are 1,467 buildings with 242,717 households participating in the e-cycle program. Residents may also bring their unwanted electronics to more than 95 participating retail drop-off locations in the City free of charge. We will continue to look for opportunities and partnerships to expand this network.

The Department is continuing its intensive outreach and education efforts to low-income and minority communities with the goal of doubling recycling diversion rates in the ten lowest diversion community districts over the next five years. We are currently translating our recycling materials into the City's eight most commonly spoken languages, and will continue working with local community organizations to provide all residents the tools they need to reduce waste and recycle more.

Besides being the right thing to do ecologically, recycling is also a commodity business, yet the City's diversion rate has only grown to 16 percent. Many well-intentioned residents inadvertently contaminate the recycling stream by discarding improper items into their recycling receptacles, while proper recyclables end up in the trash receptacle. This is particularly so in large multi-family buildings despite the best efforts by many building owners, managers and superintendents and outreach efforts by Department staff.

Other large cities have combined their recycling streams into one and have seen marked improvements in their recycling rates. With recent advances in sorting and recycling technologies that can create high value commodities, the Department will partner with its recycling vendors in the next five years to convert all curbside recycling collections from dual stream to single stream pick-ups. A single stream system will make recycling easier and more convenient for residents by allowing them to combine metal, glass, plastic, and paper into one collection stream we will pick up at the curb, and help increase the City's diversion rate. Single stream recycling may also help reduce neighborhood truck traffic.

Building on our progress to date, we will continue to seek innovative ways to achieve our goals and increase recycling diversion and participation rates across the City. We look forward to working with you to help us achieve these mutual goals.

### **Advanced Technologies**

Next month, the Department will begin replacing the manual method it has used for over half a century to schedule daily cleaning and collection work encompassing over 3,000 vehicles and 6,000 Sanitation Workers across 59 sanitation districts. The Department is undertaking this as part of our overall SMART project to modernize and extend its core computer systems. In addition, the SMART system will provide Department management with detailed up-to-the-minute operational data for personnel, equipment

and scheduled tasks citywide. We began testing the new system in all of the Queens West districts last week and expect to complete expansion of the system in all 59 districts by September 2015.

The Department also continues to innovate to reduce emissions from and the sustainability of our collection truck fleet, already among the cleanest municipal fleets in the country. We are currently testing a variety of advanced technologies on our heavy-duty fleet that are designed to reduce vehicle greenhouse gas emissions and improve fuel efficiency. For example, in FY 16 the Department will evaluate power-on-demand technology to reduce the amount of energy used to power a collection truck's hydraulic system. The Department will also evaluate a technology designed to improve fuel economy by shutting down the engine of a collection truck when the vehicle comes to a stop so long as the hydraulics are not engaged, and then restarts the engine when it is time for the truck to move. As new green technologies arise, the Department will continue to lead in operating one of the cleanest sanitation fleets in the country and help New York City achieve Mayor de Blasio's goal of having the best air quality of all large U.S. cities by 2030.

### **Snow Budget**

The Department's snow budget for FY 16 is funded for \$77.5 million, an increase of \$17.4 million from the \$60.1 million funded in the FY 15 Adopted Budget. Due to this past unusually severe winter season, our FY 15 snow budget is currently funded at \$114.1 million, including an additional \$53.8 million provided in this Executive Budget. Depending on the rate of attrition this year, the Department expects to hire between 250 and 500 new sanitation workers later this summer who will receive snow operations training before the start of next winter. Going into the 2015-16 snow season, the Department will have adequate staffing with over 6,400 sanitation workers available to combat next winter's snow and ice storms.

The Department created and introduced new snow sector routes to eighteen community boards during this past snow season. The purpose of this new routing concept is to increase efficiency and coverage during snow plowing operations. Building upon the positive feedback we received, the Department will work over the coming year to expand sector routing.

### **Concluding Remarks**

I would like to thank you for the opportunity to testify today on the funding of the Department's programs and operations over the next fiscal year, and our proposed initiatives to advance the Department's commitment to further greening the City. The Council has always recognized the vital role of the Department in keeping communities across the City healthy, safe and clean. We will continue to uphold high standards in the delivery of the essential services we provide to the public, and welcome your support and partnership in carrying out all of our future agency initiatives.

My staff and I will now be happy to answer your questions.

**Testimony of Emily Lloyd  
Commissioner, New York City Department of Environmental Protection  
before the  
New York City Council Committees on Environmental Protection & Finance  
concerning the  
FY 2016 Executive Budget**

**Tuesday, May 26, 2015  
City Hall, 1:30 pm**

Good afternoon Chairpersons Ferreras and Richards and Members. I am Emily Lloyd, Commissioner of the New York City Department of Environmental Protection (DEP). I am joined today by First Deputy Commissioner Steven Lawitts; Deputy Commissioners Angela Licata, Nancy Cianflone and James Roberts, Associate Commissioner Eric Landau; Assistant Commissioner for Budget Joseph Murin; as well as other senior managers. Thank you for the opportunity to testify on the Fiscal Year 2016 (FY16) Executive Budget.

As you very well know, DEP has overall responsibility for the City's water supply and sewer system, including providing drinking water to all New Yorkers, maintaining pressure to fire hydrants, managing storm water, and treating wastewater. In addition, DEP also regulates air quality, hazardous waste, and critical quality of life issues, including noise.

Before I review our Expense and Capital budgets I would like to review with the Members the water rate increase adopted for FY16. Although we understand that no increase is ever welcome, the need to maintain and improve the delivery of water and sewer service is critical. In the absence of state and federal assistance for drinking water and wastewater infrastructure, water and sewer rates paid by our customers are the only source of revenue to support this service, which is essential for local public health, quality of life and economic development, and which is highly regulated at the state and federal levels.

On May 8th, the New York City Water Board adopted a 2.97% increase, the lowest increase in fifteen years, and 39% lower than the published projection of 4.9%. This significant reduction was made possible by:

- **Reduction of the Rental Payment**—Building on Mayor de Blasio's commitment to reduce the rental payment, he lowered the FY 16 Rental Payment by 40% (\$82 million), and we expect reductions in the payment to continue.
- **Strong Revenues**—As of May 3, revenues were \$93 million or 3% ahead of projections, due in part to the replacement of 31,000 large meters. In addition, the Council's renewal of DEP's lien sale authority this year has played an important part in helping us collect the charges that are owed by ratepayers. We also began the year with more carry-forward revenues from FY 2014 than we had expected, due, in large part, to an \$83 million payment we received from Exxon Mobil in connection with a judgment regarding MTBE, a gasoline additive, in Queens ground water.
- **Debt Service Payments**—Due to continued low interest rates, debt service was \$195 million lower than projected for FY 2015. By the end of the year, we expect to have re-funded \$2.2

billion of outstanding debt for an estimated 17% in net savings, which will reduce the cost of debt service in future years.

Under the adopted rate, a typical single-family homeowner will see an increase of less than \$3 per month, on average. And, a typical multi-family home with metered billing will see an increase of less than \$2 per unit per month. In addition, as part of this year's rate proposal, DEP has introduced a number of progressive changes to the water and wastewater rate schedule for FY16, including:

- freezing the minimum charge for the second consecutive year for more than 150,000 customers who use fewer than 100 gallons per day, which a quarter of all single-family homeowners do, many of them seniors. Those customers are currently billed at the minimum water charge of \$1.27 per day, including wastewater charges.
- expanding the Home Water Assistance Program, which provides a \$116 credit annually to 12,500 low-income homeowners who qualify for the federal Home Energy Assistance Program. This year DEP will expand the program by including an additional 46,500 low-income senior and disabled homeowners who receive Department of Finance property tax exemptions.
- offering all customers the option to be billed on a monthly basis. Customers who sign up for electronic monthly billing will receive a one-time \$10 credit.

## **OneNYC**

Playing a major role in our expense and capital budget is Mayor de Blasio's OneNYC plan, which was released on April 22, and expands on prior long-term sustainability plans for New York City, as well as on the work of the de Blasio administration over the last 16 months. \$6.4 billion of DEP's \$14.7 billion Ten-Year Capital Plan will be devoted to OneNYC initiatives. I would like to highlight two key elements in OneNYC for DEP.

### Southeast Queens Flooding

One of the major goals of OneNYC is reducing the risks of flooding in the most affected communities. As the Members know, the focus of this multi-pronged initiative is Southeast Queens. Included in our Ten-Year Plan is \$1.5 billion to address Southeast Queens flooding. Our specific plan includes building out the storm sewer system throughout Southeast Queens at an accelerated pace. In addition, we are developing a plan that uses green infrastructure and innovative sewer construction to bring relief to the worst-affected areas faster.

For example, over the next 10 years, we will be extending the trunk sewer network up Springfield Boulevard serving the eastern parts of Southeast Queens, including Cambria Heights and Queens Village, and upgrading the trunk sewer system north on Farmers Boulevard to serve the western portions, including Saint Albans, Jamaica and Hollis. These projects will produce almost 10 miles of new or reconstructed sewers, as well as five miles of water main replacement while we have the streets excavated.

To bring faster relief to areas with repeat flooding, we will also build what we call sewer extensions at a rate of about six per year, at a cost of about \$20-30 million annually. We have already used this technique in several locations in Jamaica and Saint Albans with good success.

Another innovative tool that is producing notable results is green infrastructure (GI). The basic concept of GI is to use natural techniques to detain, retain and absorb rainwater before it becomes a flooding problem in the street or on someone's property. Some examples of GI projects include permeable paving and rain gardens at City schools, parks, and public housing, and most notably bioswales and stormwater greenstreets within City streets and sidewalks. Bioswales look like enlarged and densely planted tree pits, but are designed with specific plant species, known to soak up a significant amount of water, and below-grade engineering. Bioswales "intercept" storm water coming down the street, preventing it from going into the sewer system. In addition, they provide other hugely important environmental benefits, including improved air quality and greening of the street.

The largest type of GI, known as a Bluebelt, uses a combination of pipes, plantings and other techniques that channel water through areas with existing watercourses and water bodies, thereby cleaning it of pollutants naturally before it is discharged into the surrounding waters. We have built an extensive network of Bluebelts on Staten Island over the past two decades, and are now developing several in Southeast Queens, including an ongoing project at Springfield Lake and Twin Ponds, and new installations at Baisley Pond. A joint project with the Department of Transportation at Brookeville Edgewood Triangle will create a Bluebelt in Idlewild Park. Over the next 10 years, we expect to find more locations to use these techniques.

Partnering with other agencies, such as the Department of Transportation, Department of Parks and Recreation, Department of Design and Construction, the School Construction Authority and the New York City Housing Authority, we are looking for all possible green infrastructure opportunities to effectively help manage stormwater.

In addition to the new infrastructure, we are also launching an intensive public education campaign throughout Southeast Queens to educate businesses, homeowners and students about proper grease disposal to help avoid sewer backups. In 2014, 79% of all confirmed sewer backups in Southeast Queens were the result of grease build-up in the sewers.

Finally, we are also about to initiate a door-to-door survey of 200 properties in Southeast Queens. Partnering with York College, we hope to identify specific reasons for flooding, including storm related or from ground water.

#### Water Fountains

Also, as part of OneNYC, DEP has committed to install new and/or repair 500 water fountains around the City. Working with the Departments of Health and Mental Hygiene, Parks and Recreation, Transportation, City Planning, Design and Construction, and the Mayor's Office of Sustainability, we hope to significantly decrease the number of areas around the City that are without water fountains—what we now refer to as "water fountain deserts." In addition, we hope to significantly increase the number of reusable water bottle filling stations around the City in an effort to reduce plastic waste.



## **FY 16 Expense Budget**

The projected Expense Budget for the current fiscal year, FY15, is \$1.64 billion. This includes approximately \$425 million in Community Development Block Grant (CDBG) funds for the Build It Back program and \$36 million in other Sandy-related funds, for which DEP serves as the contracting entity for the City. For FY16 we expect DEP's expense budget to be \$1.25 billion, including \$42 million in CDBG funding for the Build it Back program. Please note, however, that this funding represents a net increase of \$17 million from the Preliminary Budget estimate.

Highlights of the net changes to the Preliminary Budget include the following:

- Projected increases of \$5.7 million in property taxes for land owned in the upstate watersheds;
- An increase of \$5.6 million to fund interceptor cleaning at Wards Island and on a city-wide basis;
- An increase of \$5.5 million to fund the dredging and removal of CSO-impacted sediments from Flushing Bay;
- An increase of \$1.0 million to the Water for the Future water conservation program, which is related to the Delaware Aqueduct shutdown that is planned as part of the repair of the Rondout-West Branch Tunnel;
- Increases totaling \$2.9 million for equipment repairs at the wastewater treatment plants and in maintenance contracts at the Croton Filtration Plant;
- An increase of \$805 thousand that will fund 15 new positions to provide litigation support to DEP;
- Savings of \$1.2 million from re-estimates of heat, light and power, and fuel budgets.

The expense budget breaks down into the following large categories:

### Personal Services

The FY 2016 budget projects \$485 million, 39% of our total expense budget, in personal services to pay the salaries for our nearly 6,000 funded positions. As with other agencies, changes in employee benefits are not shown in the agency's budget.

I would also like to note that in an effort to enhance our Air and Noise compliance and enforcement capability, we changed three administrative staff positions to air inspector positions. In addition, DEP will be hiring eight new Environmental Compliance inspectors, which will give us the flexibility to deploy inspectors on weekends and evenings when many of the violations occur. These additions will also increase the number of inspections in all five boroughs, enabling DEP to send inspectors to even more events and projects to ensure compliance with the Air and Noise Codes.

### Taxes on Upstate Watershed Lands

The FY 16 budget projects \$167 million or nearly 13% of the Expense Budget. The ownership of watershed lands represents a critical investment in maintaining the high quality of New York City's drinking water by protecting it at the source and ensuring that it does not require more expensive treatment, such as filtration. I am pleased to report that we have successfully negotiated agreements with upstate jurisdictions to make our tax obligations more stable and predictable and, in some cases, to reduce them.

### Heat, Light, and Power

DEP's energy costs account for \$107 million or 9% of the FY16 expense budget. DEP is the third-largest municipal consumer of electric power in New York City after the Department of Education and the Health and Hospitals Corporation, and our consumption will grow as we bring new treatment facilities on line for both drinking water and wastewater. To control energy costs and reduce our greenhouse gas emissions, DEP is investing in projects to reduce energy needs, such as a cogeneration plant at the North River Wastewater Treatment Plant.

### Chemicals

Chemicals, such as chlorine and fluoride, that are used in the treatment of drinking water, and other chemicals used during the wastewater treatment process, account for \$55 million, which is 4% of our total expense budget. Finally, management of 1,200 tons per day of sludge is projected to cost about \$39 million in FY16, or about 3% of our projected FY16 expenses.

## **FY2016-FY2025 Ten-Year Capital Plan**

DEP's FY16 Executive Capital Budget is \$14.7 billion for FY16-25, as presented by Mayor de Blasio on May 7, 2015. Highlights of the Executive Ten-Year Plan are as follows:

### Croton Water Filtration Plant

On May 8 DEP announced the activation of the Croton Water Filtration Plant, and water from the Croton water supply system has been reintroduced into the city's distribution network for the first time since 2008. Built pursuant to a federal mandate at a cost of \$3.2 billion, the plant will help to ensure the city has a safe and reliable supply of drinking water in the event of a future drought, provide critical flexibility as we deal with the effects of a changing climate, and allow us to make needed repairs to other parts of the water supply system. Containing one of the largest arrays of ultraviolet treatment 'bulbs' in the world, it will also ensure that Giardia and Cryptosporidium, two microorganisms that can cause intestinal illness, are eliminated from the drinking water supply.

Construction commenced in 2007 and, at the height of the work, roughly 1,300 laborers were on site. In addition to building the plant, the 33-mile-long New Croton Aqueduct was rehabilitated and three new water tunnels were constructed to bring water to the plant, and then from the plant back to the distribution system. With the capacity to filter up to 290 million gallons of water a day, the state-of-the-art facility can provide roughly 30 percent of the city's current daily water needs.

### Wastewater Treatment

The Executive Ten-Year Plan projects a \$5.6 billion investment in wastewater treatment projects, \$3.3 billion of which is for the reconstruction or replacement of components of the wastewater treatment plants and pumping stations.

The remaining \$2.3 billion investment will be used to mitigate combined sewer overflows, with \$805 million for green infrastructure such as green roofs and bioswales, and the remainder for gray infrastructure, such as tanks and tunnels to store wastewater.

In addition, \$167 million is budgeted for the construction of a new cogeneration plant at the North River Wastewater Treatment Plant. The new cogeneration plant will use renewable digester gas produced by the wastewater treatment process to both power equipment and heat the facility. It will help us reduce our energy use and help the City meet the Mayor's major commitment to reduce greenhouse gas emissions.

A significant part of our wastewater treatment budget is \$1.3 billion in funding to cover planned consent order work related to the Long-Term Control Plans (LTCs) for combined sewer overflows (CSOs) and stormwater control. This is a portion of a larger commitment being negotiated with DEC to invest \$3 billion over 30 years to improve water quality in designated water bodies. The most significant element of this commitment is \$300 million for improvements to reduce CSO discharges into the Gowanus Canal. In addition, DEP will undertake projects in Bronx River, Alley Creek, Hutchinson River, and Flushing Creek and measures in other waterbodies yet to be agreed upon.

#### Reservoirs, Dams, Treatment Facilities and Water Mains

Over the next 10 years, the Administration is proposing to invest an additional \$3.3 billion in protecting the quality of our reservoirs and the integrity of our dams, providing for treatment where necessary, and maintaining and repairing the water main system conveying potable water to all New Yorkers. We have budgeted \$287 million for the reconstruction of dams in our three watersheds.

For the continuation of our current Filtration Avoidance Determination (FAD) programs, the Executive FY16-25 Capital Plan includes \$190 million, covering all our capital needs for the current FAD, including \$124 million for land acquisition. The alternative to the FAD is to have to build a costly new drinking water filtration plant. Our watershed protection programs passed their 2012 five-year review, and we are now in the second five-year period of the unprecedented award in 2007 of a ten-year waiver of the requirement to filter drinking water from the Catskill and Delaware watersheds. The key to maintaining the city's FAD has been the program's grounding in strong monitoring and scientific study, both of which support the three pillars of watershed protection—land acquisition, regulations governing certain activities in the watershed, such as agriculture and stream and forest management, and programs with our watershed partners—upstate communities and organizations.

#### The Rondout-West Branch Tunnel Repair

Although this project extends even beyond the Ten-Year Plan, the Executive Budget provides over \$261 million for projects related to conservation and providing supplemental sources of water during the Delaware Aqueduct shutdown, associated with its repair.

Increasing the capacity of the Catskill Aqueduct—a project distinct from pressurization—accounts for an additional \$131 million.

#### City Water Tunnel No. 3 and Related Work

DEP acknowledges that the continued construction of the Third Water Tunnel, Brooklyn/Queens Section was removed from the Preliminary Budget (the January 2015 Plan) as released by Mayor de Blasio. It bears mention that the tunneling for the Brooklyn/Queens Section is complete. The shafts, connections and activation still have to be finished. This work has been deferred because the funding was re-allocated to another, more critical priority—specifically, the dam and dike strengthening of the Ashokan Reservoir. Our intent is to reinstate the funding for design and construction as other priorities shift.

#### Sewers

The Executive FY16-25 Capital Plan projects \$4.1 billion of spending on sewers including:

- \$1.2 billion for replacement of sewers (storm, sanitary or combined), including the Mayor's initiative for accelerated replacement of some of our oldest infrastructure;
- \$2.2 billion for new sewers (of all types) of which;

- Storm sewers as a category by itself (either new or reconstructed) accounts for \$1.8 billion of projected spending, of which \$245 million is for high-level storm sewers, including Third Avenue in Brooklyn; and
- \$443 million of the total is for both the conventional sewers and the lands necessary to create Bluebelt systems, which are being extended beyond Staten Island to Springfield Lake in Queens, Van Cortlandt Park, the Bronx Botanical Garden, and other locations.

### **The FY 16-25 Capital Plan Highlights by Borough**

In the Bronx, the Executive Budget projects \$811 million of capital spending from FY 16-25.

Approximately \$283 million is budgeted for the Hunts Point Wastewater Treatment Plant, including \$33 million for new centrifuges and \$180 million for new digesters. Restoration of the Mosholu driving range, clubhouse and related work is budgeted for \$46 million in FY 16. To reduce CSOs into Pugsley Creek and Long Island Sound, DEP has budgeted \$72 million in FY 16 for construction of a parallel sewer that will help divert flow away from the creek.

In Brooklyn, the Executive Budget includes \$1.5 billion of planned commitments. The 26<sup>th</sup> Ward Wastewater Treatment Plant and associated sewer work to reduce CSOs into Fresh Creek account for \$373 million. Coney Island sewer improvements are funded at \$34 million in FY 16. An additional \$137 million is projected in FY17-25 for Coney Island sewers.

In Manhattan, the Executive Budget shows \$1 billion over the ten years between FY16 and FY25. The largest single project is the \$167 million cogeneration project at the North River Wastewater Treatment Plant.

Another \$242 million is for several projects at the Wards Island Wastewater Treatment Plant: reconstruction of final tanks; reconstruction of the boiler complex; and installation of emergency generators. The construction of water mains connecting two of the City Water Tunnel No. 3 shafts with the local water distribution system is funded at \$73 million.

In Queens, the Executive Ten-Year Plan shows a total of \$3 billion allocated for projects of all types. Sewers account for \$1.7 billion, of which \$1.5 billion is allocated for projects in Southeast Queens.

In Staten Island, the Executive Ten-Year Plan projects a total of \$1 billion, of which \$589 million is for sewers. The Snug Harbor sewer project is budgeted for \$24 million. Repairs to the Oakwood Beach Wastewater Treatment Plant and to the Hannah Street pumping station are projected to cost \$142 million. \$187 million is included in the budget for Mid-Island Bluebelts.

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On behalf of the almost 6,000 employees of DEP who make a difference each and every day for our environment, I want to thank the Chairs for their support of our agency and express our continued commitment to work with the Council and your committees going forward.

That completes my prepared statement. Thank you for the opportunity to present testimony. I look forward to answering any questions that you have.



**Hearing before the New York City Council  
Committee on Finance jointly with the Committee on Parks & Recreation  
Oversight: Fiscal Year 2016 Executive Budget  
May 26, 2015  
Testimony By: Mitchell J. Silver, FAICP, Commissioner**

Good afternoon, City Council Finance Committee Chair Julissa Ferreras, City Council Parks Committee Chair Mark Levine and members of the Council Finance and Parks Committees. I am Mitchell Silver, Commissioner of the New York City Department of Parks and Recreation. I am joined here today by a number of our senior staff. Thank you for allowing me the opportunity to discuss the Executive Budget for Fiscal Year 2016.

As you may recall, I appeared before the Parks and Finance Committees at last year's executive budget hearing, only two weeks after beginning my term as Parks Commissioner. At that hearing, I made it clear that I was prepared to utilize my decades of professional experience as a city planner and work with our senior management team, elected officials and other partners to bring a new energy and focus to NYC Parks, and to make sure we are responsive and responsible stewards of city tax dollars.

Thanks to the leadership of Mayor de Blasio and a strong partnership with the City Council, I'm proud to be here a year later to report on the progress we've made on the major priorities that we discussed at that hearing: 1) distributing Parks resources in a fair and equitable manner, so all New Yorkers have access to quality open spaces, 2) streamlining our capital process to shave months off of the timeline and deliver improvements to your constituents more efficiently, increasing transparency and broadening the public's engagement in our operations, 3) planning and placemaking efforts, and 4) ensuring that our agency's culture and strategic priorities reflect that our mission is not to simply "maintain" our parks and green spaces, but truly "care" for them.

The Executive Budget for Fiscal Year 2016 reflects these priorities, providing for operating expenses of \$443 million, which is a \$30 million increase, or 7.2%, from the Fiscal Year 2015 Adopted Budget. The Executive 10-Year Capital Plan provides a total Capital budget of \$3.8 billion, with \$936 million in Mayoral funding for approved new capital needs. This budget demonstrates a strong investment in maintaining the state of good repair for many of our infrastructure needs, including \$642 million for the repair and reconstruction of bridges on Parks property, and \$91 million for the capital improvements to our park roads, greenhouses and other facilities.

Thank you for this opportunity to offer an update on our accomplishments of the past year and give a preview of the exciting road ahead for NYC Parks. Upon my arrival last year, it became quickly apparent that several parks, many in our city's most densely populated, fastest growing and highest-need communities hadn't seen capital investment in decades. To ensure we distribute city resources in a way that reflects fairness and **equity**, we needed an innovative and data-driven approach to dedicate resources to the parks most in need. Last year, we were proud to unveil the Framework for an Equitable Future, a set of initiatives that will help us allocate resources more strategically, make our parks cleaner, greener and more resilient,



incorporate sustainable community engagement into everything that we do and develop innovative and data-driven approaches to planning, developing and delivering services in our parks.

The centerpiece of this strategic blueprint is the Community Parks Initiative (or CPI), a radical change in our approach to park development, delivering an immediate infusion of capital dollars, enhanced programming, maintenance and community partnership building to neighborhood parks that need it the most, in a way that is fair and equitable.

In Phase One of CPI, 35 capital projects were launched in high-need neighborhoods, serving a total population of over 3.2 million residents, in areas where 36% live below the poverty line and 41% are under the age of 18. I'm proud to report that CPI Phase One continues to run on schedule. Our public scope meetings were a tremendous success, with over 1,000 local residents participating to express their thoughts on the priority needs for their local park. Over 50% of the schematic designs for our CPI projects have been presented to community boards, and we are on schedule to complete design and enter procurement for all CPI Phase 1 capital projects in Winter 2015-2016. In addition, we will have completed projects at all of our 60 smaller-scale targeted improvement sites by the end of this coming June, delivering immediate results to parks in these high-need communities.

Since we want to give children who use these revitalized parks the opportunity to play and learn, the new Playground Associates funded through CPI Phase One are now on the ground at 55 CPI sites, and already engaging children through programming efforts that will continue through the summer. These hires will nearly double the number of "Kids in Motion" sites to 123, where our Playground Associates will provide programming for children, including arts & crafts, nature programming, in coordination with our Urban Park Rangers, and physical activity and games.

I'm pleased to announce that the Fiscal Year 2016 Executive Budget includes \$151 million for Phase Two of CPI, which will allow us to recreate another 32 neighborhood parks in the coming years. We are excited to continue this innovative effort, to engage the community, deliver needed improvements and invest in projects that will produce the most benefits for millions of additional New Yorkers. Additionally, the Executive Budget dedicates expense funding for additional targeted improvements for over 35 parks in CPI zones. Repaired benches, repainted courts, multi-purpose play areas and refurbished lawns can literally transform a park and deliver an improved experience for our park users, providing great value for a relatively limited investment.

We are dedicated to the objectives of smart investment, transparency and community engagement, not just in our CPI projects, but all of our new capital improvement projects. When I appeared before these committees last year, I heard your concerns about the Parks capital process loud and clear. Since then, we have streamlined our internal processes, standardized designs and encouraged the use of pre-approved contractors.

We are also working with other agencies and entities involved in the capital contracting process to identify further areas of improvement. For example, in the



past calendar year, the Public Design Commission approval rate for projects submitted for review has gone from a low of approximately 20% to an average of 75% approval.

These and other changes have already shaved months off the capital process, which results in cost savings as well. Comparing July-to-March periods, from Fiscal Year 2014 to this current Fiscal Year 2015, the percentage of projects we've completed on time has risen to 91% in FY15 (vs 72% in FY14). The percentage of projects we've completed within budget in this fiscal year is 89% (vs 78% in FY14).

My senior staff and I continue to meet regularly to identify problems before they occur and get stalled projects moving again right away. In the past year, we have reduced the number of backlogged capital projects by close to 55%, and are committed to moving all of the fully funded projects in our backlog into design by this Fall, ensuring that we can begin work on newly funded Fiscal Year 2016 projects more quickly.

We're very excited about many of the recent and upcoming ribbon-cuttings and groundbreakings that mark this progress—Gravesend Park Playground in Brooklyn, Van Nest Playground in the Bronx, Asser Levy Park in Manhattan, Lieutenant Colonel Thomas P. Noonan Jr. Playground in Queens, and Faber Skate Park in Staten Island. Notably, after decades of inaccessibility and decay, we've renovated the pedestrian High Bridge, and will open it for use early this summer, connecting neighborhoods in Manhattan and the Bronx, offering greater access and accessibility to open space for residents living on both sides of the Harlem River.

We recognize that equity of park resources throughout the city also includes the fair distribution of maintenance, programming and security personnel at our parks throughout the city. To this end, we are pleased that the Fiscal Year 2016 Executive Budget includes \$5.0 million to maintain funding and fringe benefits for 80 Parks Enforcement Patrol (PEP) officers that were added to our ranks in Fiscal Year 2015, thanks to Council funding. As you know, our PEP officers play an important role in educating the public on the proper use of our parks and playgrounds and watches over our beaches, pools, recreation centers and other public spaces. With this baseline funding, we'll be able to keep 6 PEP substations open and allow for more efficient targeted patrols in neighborhood parks, with two shifts, providing coverage from 8am – midnight every day.

Additionally, the FY16 Executive Budget provides \$6.5 million to institute a pay raise for Job Training Participants (JTPs) in our remarkably successful Parks Opportunity Program (POP). These trainees provide invaluable maintenance, programming and horticulture services in our parks, playgrounds, and recreation centers while receiving professional development services and job training, and we're pleased the Executive Budget provides us the ability to pay them a fair wage.

To build a 21<sup>st</sup> Century parks system, we need to manage our resources in the most efficient and thoughtful manner, which is why we are committed to exploring new ideas and technological approaches. Our newly created **Innovation & Performance Management** division has made great strides in this direction. As part of our "Ops.21" project, we have piloted the use of handheld devices to capture the progress that our mobile cleaning crews make along their routes. This pilot effort



has been very successful so far, with staff adapting to the new tools quickly, and yielding a remarkably low error rate. Capturing this information in real time will allow supervisors and managers to better manage their staff resources and create smarter schedules for future shifts. We're working to develop a permanent solution based on the success of the pilot program, and expect to launch the new system later this year.

The division has also been working to create a citywide playground program to implement our strong safety standards and improve play equipment conditions by placing an emphasis on specialized inspections and standardized maintenance. This initiative is based on a successful program piloted in Queens parks. Borough play equipment managers were recently hired to monitor and improve the citywide conditions of playground equipment, and the Fiscal Year 2016 Executive Budget provides an additional \$350,000, doubling our annual funding for tools and equipment, so these managers can implement necessary playground repairs.

Just last week, we gathered with hundreds of Parks supporters and community leaders at Hunts Point in the Bronx to launch an exciting new technological initiative—the TreesCount 2015 tree census. Using a mobile data entry tool that simplifies the tree mapping process, this citywide program will map every street tree on every block in New York City, providing crucial information to improve our planting program and quantify the benefits of our street trees. The data collected will also allow us to build a publicly accessible citywide map of our trees - a digital hub for volunteer stewards to track their tree-care efforts and connect with other supporters of our urban forest.

The TreesCount initiative will provide valuable data, but the care and maintenance of our street and park trees also requires significant additional resources. The Fiscal Year 2016 Executive Budget includes over \$3 million for an expansion of our Trees & Sidewalks program, which repairs severe sidewalk damage caused by tree and root growth in front of one-, two-, and three-family homes. This expanded funding will allow us to more than double the program and address over a thousand additional sidewalk repairs.

Further, the Fiscal Year 2016 Executive Budget includes \$2.6 million to fund additional tree pruning, including park perimeter trees in addition to street trees. With this new funding, we will be able to tend to 40,000 additional trees a year, which will bring our pruning cycle in line with the industry-standard of a 7-year cycle.

Over the past year, I have worked with our staff to prioritize creative **planning and placemaking**, so we can make our parks special destinations. We need to design parks that reflect the diversity and variety of New York's changing demographics, since people of different age groups and cultural backgrounds will seek different experiences from their neighborhood parks. In some places, parks are designed in a manner that doesn't take the surrounding area into consideration, which results in a park built in a vacuum. We want our city's outdoor spaces to part of the fabric of the community and our parks to be an inviting place to spend time.

I am proud to announce that the Executive Budget includes \$50 million of capital funding for Parks Without Borders, an exciting new design initiative which was unveiled by the Mayor in the "One NYC" plan last month. Through this program,





## NYC Parks

NYC Parks will take a new approach to park entrances and boundaries, where the community interacts with our park most directly. This capital investment will make the entrances to our neighborhood parks more open, by re-envisioning the fences and gates around certain parks, and adding public art and landscaping in other locations. In cooperation with NYC DOT and other agencies, we will also find new ways to better incorporate parks into their immediate surroundings. Parks Without Borders is a key strategy to improve the quality and accessibility of the New York City park experience. We look forward to soliciting New Yorkers' input on locations where this design approach would best be applied, and we will be pleased to work with the City Council as this exciting project moves forward.

To fulfill these and other objectives, NYC Parks is committed to a strategy of strong community engagement, so we can hear directly from local neighborhood residents about what they want and need from their local parks. Our scoping sessions for the Community Parks Initiative projects will serve as a model for more inclusive and comprehensive outreach, so we can provide the best service possible to local communities. Additionally, I have prioritized spending my time with the community leaders who know their parks best. This past winter, NYC Parks convened borough-wide forums with Community Board leadership to share our vision for Parks and hear first-hand about local priorities and needs. This spring, my senior team and I are touring dozens of parks with local civic organizations and advocates throughout the city. Through these and other new forums for community engagement, NYC Parks will hear directly from the public about their hopes and their concerns, and I'm committed to continuing to explore new, innovative technological platforms to understand what is on the minds of our park users.

Included in our community engagement efforts this year, in the light of several tragic incidents last summer, will be a public education campaign regarding water safety. New York City has over 17,000 acres of waterfront parkland along our coastline, with many access points throughout the city. With this in mind, NYC Parks provides safe, lifeguarded beaches and pools for swimming, offers swim instruction to more than 35,000 people every year, and has implemented new policies to help keep park visitors safe. We are also installing new safety equipment, signage, and emergency call boxes at targeted locations near water access points throughout the city. To help relay this important message to children and families, NYC Parks will launch the Be WaterSafe campaign to promote the importance of water safety to all New Yorkers, and to urge young adults and parents of young children to exercise caution in and around pools and natural bodies of water. We look forward to working with the City Council to help us spread the word about this vital public education effort, as we can all agree that even a single tragic drowning accident is one too many.

As I hope my testimony today has demonstrated, we at NYC Parks are passionate about the job we do. It's one thing for an agency to make it its mission to "maintain" the property it oversees- complete its due diligence, check items off of a checklist—but we are striving to truly "care" for our parks and green spaces, with all of the emotional attachment and dedication that the word "care" implies. This strong sense of **caring** is also reflected in the passionate dedication and involvement of our thousands of volunteer stewards and organizations that donate innumerable hours, nights and weekends to help take care of their community parks, gardens and street trees.



In late March, GreenThumb, our division that provides programming and material support to over 600 community gardens throughout the city, convened community gardeners and greening professionals from all over New York City for our 31st Annual GrowTogether conference. Partnerships for Parks, our public-private program coordinated in cooperation with the City Parks Foundation, supports and champions a growing network of individual leaders and organizations dedicated to caring and advocating for neighborhood parks and green spaces. In April, with funding made available by the City Council, Partnerships for Parks marked its 20<sup>th</sup> anniversary with its annual conference, bringing together individuals and organizations with a passion for New York City parks, to share strategies and success stories and learn from one another. Both events were great opportunities for Park supporters to learn, network and gain inspiration from each other, and discuss issues regarding best practices, funding, and park equity. Through programs like GreenThumb and Partnerships for Parks, NYC Parks seeks to equip citizens and organizations with the skills and tools they need to work alongside us to transform our green and open spaces into the places that our communities need and deserve.

With strong momentum coming out of the Conference, Partnerships for Parks is turning its sights to another successful "It's My Park" volunteer season, which will engage over 400 groups in hands-on service projects and events throughout the five boroughs. These dedicated volunteer stewards clean up litter, rake leaves, plant flower bulbs, and paint benches & fencing in the playgrounds and parks in their local community, helping strengthen our neighborhoods and improve the quality of life in New York City. The emotional attachment and devotion to the work done by these tremendous volunteers is an inspiration to me and my fellow Park employees. Our agency is committed to creating a 21<sup>st</sup> Century parks system that serves as a model for cities around the world, and I have been happy to meet with you today to share our plans for achieving that vision.

Thank you for allowing me to testify before you today and for your dedication to providing great parks and open spaces for all New Yorkers. We look forward to working with the Mayor and the City Council to **create a bright, green future with a more equitable and innovative park system**. We value your partnership and thank you for your support of our agency. Now, I would be happy to answer any questions that you may have. Joining me will be First Deputy Commissioner Liam Kavanaugh, and Matt Drury, our Director of Government Relations.

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Commissioner Kathryn Garcia

Address: \_\_\_\_\_

I represent: DSNY

Address: 125 Worth St - NY, NY 10013

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THE CITY OF NEW YORK**

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: FDC Dennis Diggins

Address: \_\_\_\_\_

I represent: DSNY

Address: 125 Worth St - NY, NY 10013

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: DC Larry Cipolline

Address: \_\_\_\_\_

I represent: DSNY

Address: 125 Worth St - NY, NY 10013

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THE CITY OF NEW YORK**

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Vincent Sapienza

Address: \_\_\_\_\_

I represent: DEP

Address: \_\_\_\_\_

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Eric Landou

Address: \_\_\_\_\_

I represent: DEP

Address: \_\_\_\_\_

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Emily Lloyd

Address: Commissioner

I represent: DEP

Address: \_\_\_\_\_

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☐ in favor ☐ in opposition

Date: 3/26/2015

(PLEASE PRINT)

Name: E. Adams, COUNCIL

Address: 159-17 Junction Blvd, Flushing NY

I represent: Comm 18th People's Council

Address: 1712 Broadway Avenue

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Appearance Card

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☐ in favor ☐ in opposition

Date: 5/26/15

(PLEASE PRINT)

Name: JAMES ROBERTS

Address: 5517 3rd Junction Blvd GWS

I represent: DEP

Address: \_\_\_\_\_

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Appearance Card

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☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Joseph Murin, Asst Comm

Address: Budget

I represent: DEP

Address: \_\_\_\_\_

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☐ in favor ☐ in opposition

Date: 5/26/15

(PLEASE PRINT)

Name: Steven Lowitts  
Address: 59-17 Junction Blvd, Flushing NY 11373

I represent: NYC DEP

Address: \_\_\_\_\_

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I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Angela Licata  
Address: Corona NY

I represent: NYC DEP

Address: Junction Blvd

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☐ in favor ☐ in opposition

Date: 5/26/15

(PLEASE PRINT)

Name: Mitchell Silver  
Address: NYC Parks

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

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☐ in favor ☐ in opposition

Date: 5/26/15

(PLEASE PRINT)

Name: Matt Drury

Address: NYC Parks

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

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☐ in favor ☐ in opposition

Date: 5/26/15

(PLEASE PRINT)

Name: Liam Kavanagh

Address: NYC Parks

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

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