

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ENVIRONMENTAL PROTECTION

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HELD AT: 250 Broadway - Committee Rm,
14th Fl.

B E F O R E:
DONOVAN J. RICHARDS
Chairperson

COUNCIL MEMBERS:
COSTA G. CONSTANTINIDES
RORY I. LANCMAN
STEPHEN T. LEVIN
ERIC A. ULRICH

A P P E A R A N C E S (CONTINUED)

[gavel]

CHAIRPERSON RICHARDS: We are ready to begin. Alrighty [phonetic] good morning. I am Council Member Donovan Richards, Chair of the Committee on environmental protection. This is a hearing on the fiscal 2015 preliminary budget and the fiscal year 2014 preliminary mayor's management budget. Today we will hear testimony from the Department of Environmental Protection about its expense and capital preliminary budget and general agency operations. The capital plan is of particular interest to the committee as debt service for the water and sewer system is 1.7 billion dollars in fiscal year 2014 which is paid for by water and sewer customers. DEP's plan for fiscal year 2015 is 2.3 billion dollars which represents 10 percent of the city's total 21.3 billion dollar February plan for fiscal year 2014. The committee pleads to discuss a variet [phonetic] of, a variety of important issues with DEP today including an update on the plan Delaware Aqueduct Bypass Tunnel and preparations to minimize service impacts including restarting the South East Queens ground waters, water system. Updates on the status

1 of large capital projects such as the Croton Water
2 Filtration Plant and City Water tunnel number three
3 and the 1.1 billion dollar fiscal 2015 expense
4 budget including 10 new positions in the Office of
5 Green Infrastructure. The committee will now hear
6 testimony from the Department of Environmental
7 Protection and then members of the public. And
8 first I just want to acknowledge my colleagues who
9 are here; Council Member Rory Lancman and Council
10 Member Cossa Constinides [phonetic] Consta... did I
11 get it right, Constaninides [phonetic]... did I get,
12 am I close enough, or naw [phonetic] I need to get
13 it right.

14 [laughter]

15 UNIDENTIFIED FEMALE: Con-stand-tinides.

16 CHAIRPERSON RICHARDS: Con-stand-
17 tinides, alrighty [phonetic] got it, alright.

18 [laughter]

19 CHAIRPERSON RICHARDS: Way to mess it
20 up. So... now you will hear from Severa [sp?] who
21 will swear you guys in.

22 SEVERA: Gentleman could you please
23 raise your right hands. Do you swear, affirm to
24

2 tell the truth, the whole truth, and nothing but
3 the truth today.

4 [combined affirmations]

5 STEVEN LAWITTS: Okay. Thank you
6 Chairman Richards. And good afternoon to Chairman
7 Richards and members of the Committee on
8 Environmental Protection. I am Stephen Lawitts,
9 Chief Financial Officer of the New York City
10 Department of Environmental Protection also known
11 as DEP, the first of many acronyms you're going to
12 hear in today's testimony. And I am joined today on
13 my right, your left by Matt Mahoney Associate
14 Commissioner for Public Affairs, Joseph Mira DEP's
15 Assistant Commissioner for Budget, and other senior
16 managers. In, in the interest of full disclosure
17 for the next 68 hours approximately I'm Acting
18 Commissioner at DEP as we make the transition
19 between Commissioner Carter Strickland and incoming
20 Commissioner Emily Lloyd who will begin on Monday,
21 March 17th. Thank you for the opportunity to
22 testify on the fiscal year 2015 preliminary budget.
23 I'd like to give you an update on our strategy.
24 Before I get to our capital and expense budgets I'd
25 like to share some recent accomplishments and then

2 I'll return to some of them in later parts of the
3 testimony when I discuss the budgets and give you a
4 better sense of the scope of our work and its cost.

5 In 2013 we activated stage two of city water tunnel
6 number three to provide critical redundancy to our
7 water supply and facilitate the vital inspection
8 and repair of city tunnel number one which was
9 built in 1917, increased our online permitting
10 opportunities for businesses, engineers, and
11 contractors, and enrolled 53 thousand customers in
12 paperless billing. And we currently have over 133
13 thousand subscribers to our service line protection
14 program which began only a little over a year ago.

15 We implemented an agency wide forum on
16 environmental health and safety, orientation to
17 encourage open frequent discussion of safety and
18 compliance concerns because safety is our number
19 one concern. We broke ground on the round out west
20 branch bypass tunnel for the water for the feature
21 project which is a 1.7 billion dollar program to
22 repair the aging Delaware aqueduct. And we broke
23 ground on a separate but related 21.2 million
24 dollar project to connect the Catskill and Delaware
25 aqueducts. We activated the 1.3 mile Gowanus canal

1 fleshing tunnel which is now bringing oxygen rich
2 water from the New York Harbor and upgraded the
3 Gowanus canal pumping station. And we expanded the
4 Staten Island gruel [sp?] into midisland and built
5 blue bell [sp?] type features into the projects at
6 Springfield Lake in Queens and at the New York
7 Botanical Garden in the Bronx. I'll talk about the
8 preliminary mayor's management report. A number of
9 performance metrics in the mayor's management
10 report or the MMR are closely related to the core
11 goals and functions to which our capital and
12 expense budgets are directed. As well as being of
13 interest to our customers and your constituents
14 after reviewing those metrics and some other
15 milestones over the past year I will reveal
16 highlights of the expense and capital sections of
17 the fiscal year 15 preliminary budget and finally I
18 will reveal the capital investments in each
19 borough. On performance metrics and in the areas of
20 water and sewer in the last decade DEP has
21 implemented technologies and procedures to shift
22 from reactive to proactive sewer maintenance. For
23 example we restructured with a focus on borough
24 based management and accountability. And we created
25

1 the capacity management operations and maintenance
2 or CMOM section to employ the most up to date
3 strategies in areas that would benefit most from
4 proactive interventions like increased cleaning. To
5 support this section and improve service DEP
6 enhanced our use of geographic information systems
7 and computers in the field. We develop procedures
8 and guidelines for failed personnel. We expanded
9 tracking data on customer service request related
10 to sewer backups and we deployed smart manhole
11 covers to detect high elevations of wastewater in
12 the sewers and built the first ever field training
13 facility with live sewers and water mains in
14 Queens. Our effort to improve sewer service also
15 benefited from the work of our sewer operations and
16 analysis program which analyzes trends in data and
17 investigates areas that have a high frequency and
18 density of confirmed issues. Analysts create maps
19 of report sewer backups to better identify segments
20 and neighborhoods that have recurring problems.
21 Once DEP identifies the likely factors behind
22 confirmed backups or other service issues we
23 develop a remediation plan that can include
24 degreasing, regular cleaning, and repair
25

1 replacement of the infrastructure. Although we
2 can't prevent sewers from surcharging during storms
3 that exceed the design capacity of the sewer we can
4 deploy resources more efficiently to make sure that
5 the existing system consistently meets the criteria
6 for which it was designed. Talk about state of the
7 sewers in 2013. In November of 2012 DEP released
8 for the first time a report called state of the
9 sewers in which we documented some of the important
10 changes in how we maintain and improve the system
11 for collecting and conveying storm water and
12 sanitary waste. The 2013 update on that report
13 documents the success of our efforts to improve our
14 performance because fat rail and grease build up
15 was the cause of 62 percent of confirmed sewer
16 backups in fiscal year 13. DEP began a yearlong
17 collaboration with the New York City Housing
18 Authority at the Garook [sp?] houses in Manhattan
19 to educate residents on proper disposal of used
20 cooking grease. DEP also started a community wide
21 awareness campaign called cease the grease in the
22 Briarwood neighborhood of, excuse me, of Queens.
23 Here are some of our performance statistics. Sewer
24 back up resolution time has experienced a 24
25

1 percent decrease from fiscal 2009 to fiscal year
2
3 13. Catch basin resolution time a 63 percent
4 decrease from FY09 to FY13. The number of catch
5 basins with open work orders has seen an 89 percent
6 decrease from July of 2010 to today. And confirmed
7 sewer backups have seen a 38 percent decrease from
8 FY09 to FY13. Sewer segments with recurring backups
9 decreased by 39 percent in the same period. And
10 sewer segments with recurring backups in dry
11 weather decreased by 45 percent from FY09 to FY13.
12 Total sewer cleaning increased 126 percent from
13 FY09 to FY13. In the area of AR noise DEP continued
14 to improve its performance and responding to
15 complaints related to violations of the air and
16 noise pollution codes largely due to operational
17 efficiencies resulting from last year's
18 implementation of the H2O stat program which also
19 looked at the enforcement statistics. We responded
20 to 99 percent of these complaints within the seven
21 day target. A 10 and 13 percentage point
22 improvement respectively over last year despite
23 increases in both complaint categories. In addition
24 the average time to close air complaints decrease
25 by 28 percent, from 5.3 to 3.8 days. And by 38

1 percent for noise complaints from 8.5 to 5.3 days.
2
3 In customer services to address peaks and call
4 volume the bureau of Customer Services initiate a
5 virtual call center. Staff has be nitrified in
6 borough offices and other non-call center units
7 that are headquarter... support the call center
8 during peak period. This along with the hiring of
9 staff to address attrition in the prior period led
10 to a 25 percentage point increase in calls answered
11 within 30 seconds. In addition the average call
12 wait time dropped by over 68 percent to 22.8
13 seconds. I'll speak now about some key programs and
14 projects. First our green infrastructure program.
15 DEP continues to implement its green infrastructure
16 program which incorporates different techniques to
17 handle combined sewer overflows or CSOs without
18 building massive tanks and tunnels which we also
19 refer to as grey infrastructure on which the city
20 had previously relied. In March 2012 DEP and the
21 New York State Department of Environmental
22 Conservation, one of our regulators, reached an
23 agreement which provides flexibility on a consent
24 order regarding combined sewer overflow remediation
25 to allow the green infrastructure investments to be

1 counted toward that effort. In fiscal year 2014 to
2 2017 488 million is planned for various green
3 infrastructure projects on public property. Some
4 examples of recent projects include right of way
5 Bioswales pavement and rooftop detentions such as
6 green and blue roofs. DEP hired consultants to
7 create green infrastructure implementation plans
8 for the key watershed areas of Newtown Creek,
9 Gowanus, and Flushing. It is anticipated that these
10 plans which are meant to quantify how the CSO
11 reduction bench marks of the consent order will be
12 met will be completed and available for review. The
13 green infrastructure program reflects the city's
14 goal to improve water quality outlined in PlaNYC
15 2030 by reducing CSO's into our waterways by 40
16 percent by 2030. And many of the pilot programs
17 already underway in Jamaica Bay are in accordance
18 with local law 71 of 2005 as amended in 2006.
19 Additionally Local Law 5 of 2008 required the
20 administration to develop and implement a
21 sustainable storm water management plan with a goal
22 of reducing the approximately 27 billion gallons of
23 untreated sewage and storm water that is just
24 discharged into the city's waters in a typical
25

1 year. A bid on the green infrastructure grant
2 program on March 4th DEP announced this year's
3 fourth annual round of its greener infrastructure
4 grant program encouraging community groups,
5 nonprofits, and property owners to apply for the
6 six million dollars in new funding that is
7 available for green infrastructure projects. These
8 projects to be built on private property will
9 augment the public space projects being built by
10 the city both of which will soften the impervious
11 urban landscape and help absorb storm water that
12 would otherwise drain into the combined sewer
13 system and contribute to combined sewer overflows
14 into local waterways. Notable projects that were
15 funded during the first three years of the grant
16 program and have it completed construction include
17 a 43,400 square foot green roof at the Brooklyn
18 Navy Yard, one of the nation's first blue green
19 roof combinations at the Osborne Association in the
20 Bronx, a green roof at Lenox Hill [sp?]
21 neighborhood house in Manhattan, permeable pavers
22 and rain gardens at Queens College, a New York
23 restoration project community garden in Brooklyn's
24 Gowanus neighborhood, and a green roof at Bishop
25

1 Laughlin Memorial High School in Brooklyn. Water
2 for the future; most members are aware of a leaking
3 portion of the Delaware aqueduct, also known as the
4 round out west branch tunnel. Designated as our
5 water for the future program a new three mile
6 tunnel will be built to bypass the leaking portion
7 of the Delaware aqueduct in Orange County. Other
8 repairs to the portion that runs under Ulcer [sp?]
9 County will be done from within the existing
10 aqueduct. During construction when the newly
11 constructed bypass tunnel is being connected to the
12 existing aqueduct the Delaware aqueduct will need
13 to be shut down and it will become unable to
14 deliver water to the city. Currently the aqueduct
15 carries approximately half of New York City's
16 drinking water to more than eight million people
17 daily. Approximately 500 million gallons per day.
18 It is capable of delivering 900 million gallons of
19 water a day, DEP received approvals from local
20 towns and two shafts, one at each end of the
21 planned three mile bypass tunnel, and one on each
22 side of the Hudson River, are currently being
23 drilled and blasted. Once the shafts are completed
24 the tunnel boring machine can be lowered to begin
25

1 the tunnel work. The February capital commitment
2 plan includes 560 million dollars planned in fiscal
3 2014 to 2017 for the construction of a bypass
4 tunnel to repair the round out west branch tunnel.
5 Related projects which we call the water for the
6 future demand management program will help cope
7 with the aqueduct being off line at a later stage
8 of the project. The goal of the water for the
9 future water demand management program is a five
10 percent reduction in current demand by 2021. These
11 reductions will come through two major programs,
12 the toilet replacement program, and the municipal
13 water efficiency program. The toilet replacement,
14 replacement program will target residential
15 properties through the, throughout the city to
16 replace as many as 800 thousand toilets. We expect
17 the toilet replacement program to reduce New York
18 City water demand by approximately three percent or
19 30 million gallons per day. The municipal water
20 efficiency program is projected to reduce
21 conception by an additional 1.5 percent to two
22 percent through partnerships with New York City
23 Housing Authority, the Department of Education, the
24 Parks Department, the Fire Department, and City

1
2 Universities. And to date DEP has made progress on
3 retrofitting over 100 spray showers in city parks,
4 the installation of low flow fixtures in 26 schools
5 will also be complete by the end of this fiscal
6 year, fiscal year 2014. The first phase of the
7 toilet replacement program has been initiated with
8 the solicitation for request for contractors to
9 facilitate the voucher in toilet replacements.
10 Registration for the contractors for the toilet
11 replacement program is expected by the end of
12 April. DEP did not receive any proposals for
13 porcelain crushing to recycle the toilets that will
14 be replaced and was looking at alternatives or
15 rebidding the contract. DEP will be reissuing the
16 solicitation in April. And DEP will continue its
17 operational efficiency programs such as leak
18 detection, meter replacements, and pressure
19 managements in a further effort to conserve water.
20 Separately DEP is also undertaking a survey of our
21 obsolete wholesale customers' conservation efforts.
22 In the next year we hope to introduce an upstate
23 conservation program that will assist our upstate
24 wholesale customers in developing and implementing
25 conservation plans and incentivize a reduction in

1 water use. Currently our upstate customers account
2 for approximately 10 percent of the system's water
3 use and about two percent of the system's revenues.
4 And now for the Catskill ultraviolet disinfection
5 facility, also known as the UV's, the UV facility
6 to provide ultraviolet disinfection for the
7 drinking water from the Catskill in Delaware water
8 sheds which currently supply all of New York City's
9 drinking water. In 2013 DEP completed the 1.6
10 billion dollar Catskill-Delaware facility, the
11 largest facility of its kind in the world. And also
12 larger than all the other UV capacity in the US
13 combined. That facility was constructed pursuant to
14 a federal mandate that requires treatment of
15 surface water supplies with two forms of
16 disinfection. Prior to the UV plant's completion
17 and operation the addition of chlorine provide the
18 only form of disinfection for our drinking water.
19 The carbon filtration plant in December 2013 we
20 began start up and testing of the Croton plant
21 officially to treat the drinking water provided by
22 the Croton system, the oldest of the three drinking
23 water systems serving New York City. The Croton
24 system goes back to 1842. Testing at the Croton
25

1 plant will continue during 2014 as we wrap up
2 construction. The Croton plant will allow the
3 Croton supply to meet all drinking water quality
4 goals even during times of the year when the system
5 would have been taken offline because of seasonal
6 color and taste variations. A consistent and
7 reliable Croton supply is a key part of our
8 planning to meet the city's drinking water needs in
9 the 21st century. And the plant's treatment
10 capacity will provide up to 290 million gallons of
11 water per day. This capacity will be a critical
12 component of our water for the future program and
13 will help meet New York City's daily drinking water
14 demand in the absence of the Delaware aqueduct. In
15 connection with the construction of the Croton
16 plant DEP is also undertaking significant
17 construction at the 108 year old Jerome Park
18 reservoir, the only drinking water reservoir
19 actually inside the city. On city water tunnel
20 number three the tunnel is one of the largest and
21 longest running public works projects in the city's
22 history and also in the country. When complete it
23 will improve the reliability of our water supply
24 and allow for the inspection of city water tunnel
25

1
2 number one for the first time it came online in
3 1917. City water tunnel number three has been built
4 in stages; the first stage running from Yonkers to
5 Midtown Manhattan and then to Astoria was completed
6 in 1998. A tunnel boring machine began mining the
7 second portion of the Manhattan leg of the tunnel
8 in 2003. By 2006 it had excavated a 12 foot
9 diameter tunnel roughly 500 feet below street level
10 down the west side of the island from Central Park
11 to Canal Street and then onto the East side, the
12 East Side of Lower Manhattan. It also dug a branch
13 that runs East at 30th Street and loops North to
14 the Manhattan side of the Ed Koch Queensborough
15 Bridge. By 2010 the tunnel had been lined with
16 nearly three million cubic feet of concrete. In
17 addition ten shafts spaced roughly 20 blocks apart
18 were constructed in order to bring water up from
19 the tunnel to the large trunk water mains where it
20 enters the local distribution system. As part of
21 the project more than six miles of trunk water
22 mains and more than 11 miles of smaller
23 distribution mains have been installed under the
24 streets of Manhattan to deliver the water to
25 residences and businesses in the service area. The

1 activation of this phase of the tunnel was
2 announced last October. For Newtown Creek [sp?] in
3 2011 as a result of federally mandated five billion
4 dollar upgrade project DEP began providing full
5 secondary treatment at our, at our largest sewage
6 treatment plant. The Newtown Creek wastewater
7 treatment plan in Greenpoint, Brooklyn in Council
8 Member Levin's district. Full secondary is the
9 federal standard for wastewater treatment. Until
10 then Newtown Creek was the only one of our 14
11 plants that was not able to consistently meet that
12 standard. This five billion dollar project
13 accomplished while the plant was in service allows
14 New York City to meet the requirements of our
15 regulators and reduce pollutant loadings into our
16 waterways. With regard to the service line
17 protection program in January 2013 we announced the
18 availability of an optional, voluntary, service
19 line protection program. The water and sewer
20 service lines that connect homes to the city owned
21 water and sewer mains are the responsibility and
22 have always been the responsibility of the
23 homeowner. Repairs to broken service lines can cost
24 between 3,000 and 15,000 dollars per repair and be
25

1 financially devastating to a homeowner. Under our
2 service line protection program American Water
3 Resources or AWR will repair an enrolled customers
4 leaking water service line or a broken or clogged
5 sewer service line for a small monthly fee
6 currently \$4.49 per month for the water service
7 line and \$7.99 cents per month for the sewer
8 service line. Homeowners who choose to enroll in
9 the plan sign a contract with AWR and have the
10 convenience of paying the enrollment fees through
11 their water bills. In a little over a year over 133
12 thousand customers have enrolled in the plan with
13 97 percent of the subscribers having enrolled in
14 both the water and sewer plans. And I just want to
15 interject that this far exceeded the previous
16 experience that AWR has had in other cities where
17 it's been operating a long time. We've had a much
18 faster enrollment rate than other cities. Based on
19 historical repair rates these 133 thousand enrolled
20 customers are likely to generate over 5,000 repair
21 calls per year. Coverage under the protection
22 program will save these enrolled customers
23 collectively more than six million dollars per
24 year. For automated meter reading as of March 6th,

1
2 2014 automated meter reading or AMR transmitters
3 have been installed on over 816 thousand meters
4 representing 96 percent of the meters city wide
5 based on a total city wide population of meters of
6 about 850 thousand and this is the largest
7 automated meter reading program for any water
8 system in the country. Staten Island is the most
9 built out borough with a 98 percent coverage rate
10 with an increasing percentage of our counts moving
11 onto AMR we are seeing a corresponding decrease in
12 the percentage of monthly bills that are estimated.
13 In January 2009 as we were beginning the MR
14 instillation 17.4 percent of our bills were
15 estimated while for February 2014 the last month we
16 have available only 3.7 percent of the bills were
17 estimated. That's a 79 percent reduction in the
18 number of estimated bills. Additionally as part of
19 this effort DEP has replaced over 431 thousand
20 meters citywide. Regarding upstate land acquisition
21 DEP is in its seventh year of its 10 year
22 Filtration Avoidance Determination or FAD which we
23 originally secured in 2007. Land acquisition
24 continues to be an important part of our source
25 water protection program. And DEP remains on track

1 to meet the land acquisition solicitation goals
2 established in the FAD. We continue to prioritize
3 solicitation taking into account the high levels of
4 protection that we've attained in many parts of the
5 water shed. I appreciate the opportunity to discuss
6 these achievements and I'll turn to a discussion of
7 the expense and capital budget highlights for our
8 expense budget, our preliminary expense budget for
9 FY15. The projected expense budget for the current
10 fiscal year FY14 is 1.5 billion which includes
11 approximately 367 million in community development
12 block grant funds for the build it back program for
13 which DEP serves as the contracting entity for the
14 city. For FY15 we expect DEP's expense budget to be
15 1.104 billion which is largely in change from the
16 prior estimates. The only change that has occurred
17 is the funding of 1.2 million dollars in overtime
18 for the air noise and asbestos enforcement program
19 areas. The expense budget breaks down into the
20 following large categories, the preliminary FY2015
21 budget projects 454.6 million, 41 percent of the
22 total in personal services to pay the salaries for
23 our nearly 6,000 funded positions. Taxes on upstate
24 water shed lands make up the next largest category
25

1 accounting for 157 million dollars or nearly 14
2 percent of the expense budget. And I just wanted to
3 interject that DEP is unique among city agencies
4 and I think paying any property taxes outside the
5 city let alone 157 million dollars. As the chairman
6 and the committee members know well the ownership
7 of watershed lands represents a critical investment
8 of maintaining the high quality of New York City's
9 drinking water by protecting it at the source and
10 ensuring that it does not require more expensive
11 treatment such as filtration. I'm pleased to report
12 that we have successfully negotiated agreements
13 with upstate jurisdictions to make our tax
14 obligations more, more stable and predictable and
15 in some cases to reduce them. Heat, light, and
16 power, our energy costs account for 111 million or
17 ten percent of the fiscal year 15 expense budget.
18 DEP is the third largest municipal consumer of
19 electric power in New York City after the
20 Department of Education and the health and
21 hospitals corporation. And our consumption will
22 grow as we bring online new treatment facilities
23 for both drinking water and wastewater. To control
24 energy costs that meet PlaNYC's goals for
25

1 greenhouse gas reduction DEP is investing in
2 projects to reduce energy needs. One of these is a
3 cogeneration plant at North River that I mentioned
4 below. Sludge management of 1,200 tons per day is
5 projected to cost about 40.1 million dollars in
6 FY15 or about four percent of our projected FY15
7 expenses. Now to talk about our capital plan for
8 the four year period of FY14 through 17. DEP's FY15
9 preliminary capital budget is 7.5 billion dollars
10 in that period as presented by Mayor di Blasio on
11 February 12th of this year. Highlights of the
12 preliminary four year plan are in wastewater
13 treatment the plan provides 2.8 billion dollars for
14 investing wastewater treatment projects, 2.1
15 billion for the reconstruction or replacement of
16 components of the wastewater treatment plants and
17 pumping stations. The remaining 680 million dollar
18 investment will be used to mitigate combined sewer
19 overflows with 488 million for green infrastructure
20 such as green roofs and Bioswales and the remainder
21 for grey infrastructure such as tanks and tunnels
22 to store wastewater. In addition 181 million is
23 budgeted for the construction of a new
24 cogeneration, [page flips] excuse me, plant at the
25

1 North River wastewater treatment plant. The new
2 cogeneration plant we use renewable Digester Gas
3 produced by the wastewater treatment process to
4 both power equipment and heat the facility. It will
5 help us reduce our energy use and help the city
6 make the ambitious greenhouse gas emission
7 reduction goals in PlaNYC. Now on upstate
8 facilities and water mains. Over the next three
9 years the administration is preparing to invest an
10 additional 1.9 billion dollars in protecting the
11 quality of our reservoirs and the integrity of our
12 dams providing for treatment where necessary and
13 maintaining the repairing, and repairing the water
14 main system conveying portable water to all New
15 Yorkers. We've budgeted 260 million for the
16 reconstruction of dams and our three water sheds
17 and 40 million dollars for the pressurization of a
18 two and a half mile segment of the Catskill[sp?]
19 aqueduct which will increase the volume of water
20 available to the city and reestablish DEP's ability
21 bycast [phonetic] the, bypass the Kensico Reservoir
22 when necessary to access the highest quality water.
23 For the continuation of our current filtration
24 avoidance determination programs the preliminary
25

1
2 FY14 to 17 capital plan includes 209 million
3 covering all of our capital needs for the current
4 FAD including 57 million dollars for land
5 acquisition. For the round out west [sp?] branch
6 tunnel and water for the future, although this
7 project extends even beyond the ten year plan, in
8 this four year plan period the preliminary budget
9 provides 560 million for the bypass tunnel and over
10 100 billion for other projects really to proving
11 supplemental source of water during the Delaware
12 Aqueduct shut down increasing the capacity of the
13 Catskill a project distinct from pressurization
14 accounts for an additional 146 million on water
15 tunnel number three to modify the chamber is built
16 during stage one at the Hillview reservoir the
17 preliminary four year plan allots 51 million. Stage
18 two of city tunnel number three includes a section
19 running through lower Manhattan as well as a
20 section running from Astoria Queens to Red Hook,
21 Brooklyn. Although the Manhattan Lake and the
22 Manhattan... water tunnel number three have been
23 substantially completed we're budgeting 48 million
24 dollars in this plan for additional work related to
25 the activation of the Manhattan leg of tunnel

1 three. The Department of Design and Construction
2 using our funds completed those water mains
3 critical to activating the Manhattan leg. And as I
4 mentioned on October 16th of last year we marked
5 the activation of that section of tunnel three
6 enabling us to provide much needed redundancy to
7 city water tunnel number one. For Sewers that
8 preliminary program projects 1.4 billion dollars of
9 spending on sewers including 317 million for
10 replacement of stewers [phonetic], sewers including
11 storm sanitary or combined, 890 million for new
12 sewers of all types of which storm sewers as a
13 category by South either new or reconstructed
14 accounts for 612 million of projected spending of
15 which 152 million is for high level storm sewers
16 including third avenue and Brooklyn. And 257
17 million of the totals for both conventional sewers
18 and the land that's necessary to create blue belt
19 systems which are also being extended beyond Staten
20 Island to Springfield Lake in Queens, Van Cortlandt
21 Park in the Bronx and the Bronx botanical gardens
22 and other locations. And some highlights by
23 borough. In Queens that preliminary four year plan
24 shows a total of 1.3 billion allocated for projects
25

1 of all types, sewers account for 340 million. Six
2 million is budgeted for work on two shaft sites
3 that will connect stage two of city water tunnel
4 number three to the distribution system. 84 million
5 is projected to evaluate, assess, and restore
6 groundwater wells in southeast Queens for the
7 purpose of providing additional water during the
8 Rondout bypass construction and during any droughts
9 or other instances where the city's surface water
10 supplies are not adequate. In Staten Island the
11 preliminary four year plan produces a total of 622
12 million of which 427 million is for sewers. The
13 Snug Harbor sewer project is budgeted for 24
14 million. Repairs to Opera Beach Plant and the
15 Hanestry [sp?] pumping stations are provided to,
16 are projected to cost 68 million. I note that the
17 preliminary four year plan does not include the
18 cost of repairing damage to the Staten Island
19 siphon project caused by Hurricane Sandy. The cost
20 of damage to the project which will replace the two
21 existing underwater water siphons that supply
22 drinking water to Staten Island are under
23 discussion. Some of the cost may be covered by the
24 contractors insure [phonetic]. We are hopeful that
25

1 the federal government will cover any uninsured
2 cost. In the Bronx the preliminary budget projects
3 671 million of capital spending from FY14 to 17.
4 Approximately 167, excuse me, 160 million is
5 budgeted by, at the Hunts Point Treatment Plant
6 including 50 million for new centrifuges and 96
7 million for new digesters. Restoration of the
8 Marshal Driving Range Clubhouse and related work is
9 budgeted for 49 million in FY14. To reduce CSOs
10 into Pugsley Creek and Long Island Sound DEP has
11 budgeted 72 million in FY16 for a construction of a
12 parallel sewer that will help divert flow away from
13 the creek. In Manhattan the preliminary budget
14 shows 777 million over the four years between FY14
15 and 17. The largest single project is a 181 million
16 dollar cogeneration plant at the North River
17 wastewater treatment plant. The cogeneration
18 project will replace existing equipment for these
19 sites... digastric gas with a more efficient system
20 that will allow more of the plant's energy needs to
21 be generated by the plant itself thereby reducing
22 energy costs and air remissions. Another 246
23 million dollars is for several projects at the
24 Wards Island wastewater treatment plant,
25

1 reconstruction of the final settling tanks,
2 construction of the boiler complex, and
3 installation of new dewatering centrifuges. 146
4 million will fund the construction of water mains
5 connecting two of the city water tunnel number
6 three shafts with the local water distribution
7 system. In Brooklyn the preliminary budget includes
8 820 million of plant commitments. The 26 Wards
9 wastewater treatment plant and associated sewer
10 work to reduce CSOs into fresh creek account for
11 about 317 million. 14 million for Coney Island
12 sewer improvements is funded in FY14. An additional
13 94 million is projected in FY15 through 17 for
14 Coney Island Sewers. And a word on an unfunded
15 mandates. I want to take this opportunity to remind
16 the committee that DEP remains concerned about
17 unfunded state and federal mandates that threaten
18 our ability to provide real value and services for
19 every dollar we receive from our rate paying
20 customers. As you know we have expressed doubt
21 about the timing or need for certain federally
22 mandated projects that create enormous pressure on
23 the raise. For example we do not believe that
24 building a concrete cover over Hillview Reservoir
25

1 in Yonkers at a cost in excess of one billion
2 dollars is necessary to protect our drinking water
3 but a blanket EPA rule that we do not agree with
4 applies, that we do not agree applies to our water
5 system says otherwise. We are very involved in
6 sponsoring scientific research and in promoting
7 sensible solutions. And we are certainly committed
8 above all to protecting public health. In terms of
9 resiliency in October 2013 on the first anniversary
10 of hurricane Sandy DEP released the New York City
11 wastewater resiliency plan, the nation's most
12 detailed and comprehensive assessment of the risk
13 that climate change poses to a wastewater
14 collection and treatment system. The groundbreaking
15 study initiated in 2011 and expanded after
16 Hurricane Sandy was based on an asset by asset
17 analysis of the risk from storm surge under new
18 flood maps at all 14 wastewater treatment plants
19 and 58 pumping stations representing more than one
20 billion dollars in infrastructure. If no action is
21 taken we project that damage to the equipment from
22 repeated coastal flooded at projected rising sea
23 levels could exceed two billion dollars over the
24 next 50 years. We estimate that if we invest 315

1 million now to protect valuable equipment and
2 minimize disruptions to critical services during
3 future storms we will help protect the
4 infrastructure from that two billion dollar plus in
5 repeated flooding losses. DEP will coordinate this
6 work with a broader coastal protection initiatives
7 such as engineered barriers and wetlands described
8 in the 2013 report, A Stronger More Resilient New
9 York, and continue to implement the drinking water
10 and drainage strategies identified in the report to
11 mitigate the impacts of future extreme events and
12 climate change. On behalf of the almost six
13 thousand employees of DEP who make a difference in
14 each and every day for our environment I want to
15 express our commitment to work with you Chairman
16 Richards and the members of the Committee in the
17 coming years of this new administration. And I
18 welcome all of you aboard on behalf of outgoing
19 Commissioner Carter Strickland and incoming
20 Commissioner Emily Lloyd. That completes my
21 prepared statement. Thank you for the opportunity
22 to present my testimony. Thank you for your
23 patience and I look forward to answering any
24 questions that you have.
25

2 CHAIRPERSON RICHARDS: Thank you so
3 much. And first I just want to acknowledge we've
4 been joined by Council Member Eric Ulrich who we
5 had the fun of cutting the ribbon of a brand new
6 YMCA in the Rockaways [sp?] today so thank you for
7 joining us. So I'll start off and then some of my
8 colleagues have questions. I'll start with when
9 will the water board's public hearing to announce
10 the fiscal year 2015 water and sewer rates be held?

11 STEVEN LAWITTS: Yes. Thank you Chairman
12 Richards. The, the current schedule is that the DEP
13 Commissioner will propose a rate at a public
14 meeting of the New York City Water Board on Friday
15 April 4th at 8:30 A.M. at 22 Wreath Street in lower
16 Manhattan. As the water board has in the past it
17 will schedule one public hearing in each borough.
18 Those public hearings are currently scheduled to
19 take place the week of April 28th through May 2nd.
20 And then finally a late adoption meeting is
21 scheduled for Friday May 23rd. At that meeting the
22 water board will consider the testimony presented
23 at the hearings as well as the information provided
24 by the DEP commissioner and make a decision on the
25 waterway to take effect on July 1st of 2014.

2 CHAIRPERSON RICHARDS: Okay. And I know
3 that more people are paying their bills and we've
4 seen an increase in that. So I'm hoping that our
5 rates are not going up tremendously.

6 STEVEN LAWITTS: That, that is certainly
7 our hope as well Chairman Richards. And you're
8 observation is absolutely correct. With the
9 widespread coverage of automated meter reading
10 covering 96 percent of our customers and with the
11 estimated bills having dropped by nearly 80
12 percent... Estimated bills in, in past years where
13 the single biggest cause of our customers having
14 disputes about their bills and the single biggest
15 reason why customers refused to pay their bills
16 often in their entirety we've largely eliminated
17 that. And so our customers are paying more on time.
18 They're paying higher percentages of their bills.
19 And that certainly has contributed to an improved
20 financial condition for us. And so that will be one
21 of the major factors that goes into what we
22 certainly hope will be a, a, a rate that gets
23 proposed on April 4th that you know is, is one that
24 our customers will find affordable.

2 CHAIRPERSON RICHARDS: Okay. What will
3 the 10 new full time hires for the green
4 infrastructure program be working on.

5 STEVEN LAWITTS: Assistant Commissioner
6 Joe Mira will answer that.

7 JOE MIRA: Thank you Chairman. Those 10
8 employees will be hired by the Department of Parks
9 on behalf of DEP because we have a working
10 relationship memorandum understanding with
11 Department of Parks where they do the maintenance
12 for much of our green infrastructure. The new
13 bioswells that I think a lot of members might have
14 seen in their neighborhoods, those parks have been
15 going out and tending to to makes sure that there's
16 not accumulation of garbage or other debris in them
17 so that they work effectively in terms of the storm
18 water management. So those will be primarily
19 maintenance type positions, some gardener types as
20 well but primarily maintenance positions.

21 CHAIRPERSON RICHARDS: And how often do
22 they do maintenance because I know in my particular
23 district I'm sure and in other, I know in Ruben's
24 district, my, myself we, we have like green streets
25 but they're not maintained to their fullest

1 capacity. So, so how often would you say they are
2 maintaining green infrastructure?
3

4 JOE MIRA: At this time I wouldn't be
5 able to give you an exact maintenance schedule on,
6 you know because primarily it's based on the usage,
7 if it's a high traffic, high volume area they're
8 supposed to be getting out there more frequently.
9 And we have a relationship with the Parks
10 Department where we're monitoring and that
11 reporting on that. And that's where we're you know
12 working with them to make sure that they're having
13 as effective you know an impact as possible. And
14 that's why we're looking as we go forward to see
15 what the actual resources will be needed over time
16 for those green infrastructures maintenance so that
17 you know if ones need more or some need less that's
18 where we will deploy them. And since the program's
19 been running about a little, maybe two years to 18
20 months now we're still working out a lot of that
21 with the Parks Department and you know we'll be
22 continuing to work with them to see what the most
23 effective deployment is and where they need to be
24 and how many staff we actually need as this program
25 continues to ramp up over the next five to ten

1 years because there is a significant capital
2 investment that's going to be made. And you'll see
3 them coming out much more in the rest of the, the
4 boroughs.
5

6 CHAIRPERSON RICHARDS: So you're
7 increasing the budget towards that?

8 STEVEN LAWITTS: Yes there is a, there's
9 a plan and you know and there's not you know a
10 completely settle jet because that's something
11 we'll work with, with Parks and with OMB as the
12 green infrastructure program ramps up because more,
13 the more you have the more efficiently the people
14 should also be able to operate. And that's what we
15 need to work out with Parks as well. So you may be
16 able to have one crew now that might be able to do
17 more work so you may not need to deploy another
18 crew 'till you have more canal for you.

19 CHAIRPERSON RICHARDS: Okay great thank
20 you. Can we speak of the service protection program
21 quick. Just so I think if I heard you correct 133
22 thousand New Yorkers have signed up for this
23 program. What are we doing to better promote this
24 program. A lot of my constituents don't know that
25 this program even exists unless we tell them. So

1 are, are we putting it on the billing statements?
2
3 Is there a way that we can better promote this
4 program? I think it's a wonderful program and I,
5 and I commend you for certainly signing up and, and
6 making it obviously the most successful program
7 across the country but want to know how can we make
8 it better? How can we make sure more New Yorkers
9 know about this program?

10 STEVEN LAWITTS: Right thank you,
11 [clears throat] excuse me, Chairman Richards. So
12 yes... 133 thousand and in fact I think even since we
13 printed out testimony it's up to 144 thousand. We,
14 when the program was first introduced in January of
15 last year the, we worked with the vendor American
16 Water resources or AWR to send a mailing. We sent a
17 mailing to every eligible household. And so
18 buildings that are eligible for this protection
19 program are buildings that have a water service
20 line that's two inches or less in diameter that is
21 somewhere in the neighborhood of 600 thousand
22 buildings are eligible to participate in this
23 program. So our vendor AWR and we collaborated on a
24 mailing that went to every one of those 600
25 thousand buildings on DEP letterhead and signed by

1
2 DEP's Deputy Commissioner for customer services to
3 lay out the program. We also reinforced the program
4 on the DEP website. And as I had said earlier we
5 got a tremendous response in terms of for AWR our
6 vendor an unprecedented enrollment rate. And our
7 vendor has told us that at our current 134 thousand
8 enrollment based on their experience in other
9 cities in which they've been operating a, a very
10 long time. They didn't expect us to get up to 134
11 thousand until more than a year from now. We, on
12 the first anniversary of the program, worked with
13 AWR to send out a second mailing to all eligible
14 buildings that aren't already subscribers to the
15 program. I know in, in my own neighborhood we got
16 that mailing sometime in the last couple of weeks.
17 Also when we have reason to go out into the
18 communities and appear with council members for,
19 for any community centered function we, we try to
20 make a point of reinforcing that that program is
21 out there. We often carry literature that we can
22 hand out on the program and certainly we can work
23 with any of the Council Members, any of the
24 Community Boards to do a more targeted outreach if
25 you think that would be beneficial.

2 CHAIRPERSON RICHARDS: I think that
3 would definitely be beneficial especially for flood
4 prone areas to, you know across the city and
5 obviously places that you know have a, get a lot of
6 flooding. Let me see here. How do you prioritize
7 the areas for increased sewer cleaning and, and
8 regular chemical degreasant to reduce sewer
9 backups.

10 STEVEN LAWITTS: Well we, we, we keep
11 and collect and analyze numerous amounts of data on
12 sewer backups and areas that are prone to flooding.
13 And we... update for a number of purposes. One is to
14 prioritize in our capital program we were going to
15 invest our sewer, new sewer construction dollars or
16 programs to expand sewer capacity. And we also used
17 that same data so that when we know a major
18 rainstorm is coming and the city Office of
19 Emergency Management activates the flash flood
20 protection program. We can proactively send our
21 crews out to those known problem areas to
22 proactively inspect and clean catch basins and help
23 to ensure that the sewers have their full design
24 capacity available to absorb the storm water.

2 CHAIRPERSON RICHARDS: How do you
3 prioritize, so you prioritize... [crosstalk]

4 STEVEN LAWITTS: So we... yeah, we, we
5 prioritize based on all the data that we collect
6 and analyze and where we're able to target problem
7 areas.

8 CHAIRPERSON RICHARDS: Okay.

9 STEVEN LAWITTS: Especially areas that
10 have repeated flooding, repeated sewer backups.

11 CHAIRPERSON RICHARDS: So your debt
12 service course almost reaching 1.7 billion and I
13 wanted to know how it, are you, are guys are
14 starting to wrap up a lot of these project, capital
15 projects how are you considering reprioritizing you
16 know your strategies?

17 STEVEN LAWITTS: Yes well as, as the
18 Chairman has observed some of our largest projects
19 are behind us or, or almost behind us. Prior to
20 2012 70 percent of our capital program was for
21 mandated projects, projects that are required by
22 our federal and state regulators that must be built
23 at a specific scope and must be built on a specific
24 time table or we're subjected to substantial fines
25 which can be 30 thousand dollars a day for every

1 day that we're late. So that drove in very large
2 part the investments in the past. And as the chair
3 observed and as we had indicated in our testimony
4 we've completed or nearly completed the three
5 largest of those mandated projects; the ultraviolet
6 program for 1.6 billion dollars, The Croton
7 Filtration plant which is in startup testing and
8 will go into full operation approximately a year
9 from now 3.2 billion dollars, and the total
10 upgrading Council Member Levin of the Newtown Creek
11 Wastewater Treatment Plant for five billion
12 dollars. And we have numerous other mandated
13 projects which are taking place mostly at our
14 wastewater treatment plants. As well as, as I
15 testified earlier the remaining obligations we have
16 under our filtration avoidance determination so
17 that we don't have to filter our Catskill in
18 Delaware water so that we don't have to build a 10
19 billion dollar filtration plant with a 100 million
20 dollar per year operating cost. So that's largely
21 behind us now. And we can allocate much larger
22 percentage of our capital program, approximately 80
23 percent of our capital program to projects that are
24 our priorities as opposed to the priorities of the
25

1 regulators. And you know I just, I just want to say
2 that I, even though I spoke about these very costly
3 projects being mandated most of them are projects
4 we would have built on our own anyway but we would
5 have, if we had the luxury of it we would have
6 spaced them out over a much longer period of time.
7 As it was we concentrated them largely in the 2006
8 to 2008 era which like many other heavy
9 construction projects in this area at the height of
10 the New York City economy we were getting very very
11 high bids for these projects. It's a much better
12 bidding climate now. It's, it's the silver lining
13 in, in the economy faltering over the last few
14 years. But, and we've, we are trying now to take as
15 much advantage as possible of that bidding climate
16 and, and we have taken advantage. And many of our
17 bids have come in well below our estimates. So we
18 are allocating a much larger percentage to things
19 like rebuilding and expanding sewers, increasing
20 the blue belt projects, and green infrastructure
21 and so we're using that again and taking our sewer
22 data, our flooding data and to kind of prioritizing
23 how we can make these investments and work with DDC
24

1 on the sewer construction projects, get the best
2 out of a favorable bidding climate.

3
4 CHAIRPERSON RICHARDS: How many of your
5 lead general contractors are MWBE funds or are MWE
6 funds mainly subcontractors. And also how many of
7 DEP subcontractor, subcontractor funds are MWBE
8 funds?

9 STEVEN LAWITTS: Right so we, we have
10 our, what we feel is our, a, a very aggressive MWBE
11 outreach program. There're, there are three
12 different MWBE programs under which we have goals.
13 And I'll just describe them briefly. There's the
14 citywide program that expired last year under... it,
15 it was local law 129. That got replaced by Local
16 Law 1 but many of our projects because they're long
17 term and there were awarded, they were registered
18 back when local law 129 was still effective, we're
19 still governed by that. All, all new projects
20 taking place in this city are governed by Local Law
21 1 and again unique among city agencies I believe is
22 because a large portion of our capital work in our
23 watershed area takes place outside of the city were
24 subject to the state MWBE program which is... it,
25 it's called the State Revolving Fund or SRF program

1 and, and that has different goals but... So I wanted
2 the committee to also understand that the nature of
3 DEP work is different than a lot of other city
4 agencies, construction projects. And if, if I could
5 just elaborate for a minute. Just... I previous to
6 DEP I was at the school construction authority and
7 the school construction authority also has a very
8 aggressive MWBE program. But the main difference
9 between the SCA and DEP is that school construction
10 authority has hundreds of relatively small projects
11 of repairs of various types to existing schools.
12 Those projects are better suited for most MWBE
13 contractors who tend to because of the, the
14 relatively small size of those firms and their
15 relatively smaller financial capacity tend to bid
16 or are selected for smaller dollar value projects.
17 Most of our projects like the 1.6 billion dollar
18 filtration plant, I'm sorry UV plant, the three
19 billion dollar filtration plant... most of our
20 general contracts are enormous by the rest of the
21 city's standards. And even our subcontracts are
22 often a, a such high dollar value that they're,
23 they're more expensive than the general contracts
24 that many other city agencies award.
25

1
2 Notwithstanding that we've been reaching out. And I
3 mentioned the filtration plant because we...

4 CHAIRPERSON RICHARDS: I'm, I'm going to
5 stop you. If you can just get us the answers...

6 STEVEN LAWITTS: Sure.

7 CHAIRPERSON RICHARDS: ...and you know.
8 And then in all fairness I know you're dealing with
9 the state... [static] capital projects in New York
10 City going on in my district and, and, and
11 communities across New York City. So if you can
12 just get us the answers that would be good and, and
13 we'll move on from there.

14 STEVEN LAWITTS: Okay.

15 CHAIRPERSON RICHARDS: But if you can
16 report that back to the committee...

17 STEVEN LAWITTS: Sure we...

18 CHAIRPERSON RICHARDS: ...that would be
19 great.

20 STEVEN LAWITTS: But we have for, for
21 our subcontracts over 100 thousand dollars for this
22 fiscal year to date we, we've awarded 707
23 subcontracts of which 365 or more than 50 percent
24 are to MWBEs and that's an increase over last
25 year's MWBE percentage of 43 percent. For micro and

1
2 small purchases we've awarded 35 percent of those
3 to MWBEs which is a much higher percentage than
4 last year's 24 percent.

5 CHAIRPERSON RICHARDS: And how much
6 money would you project?

7 STEVEN LAWITTS: I don't have that with
8 me...

9 CHAIRPERSON RICHARDS: Okay.

10 STEVEN LAWITTS: ...Chairman Richards but
11 I can certainly provide that.

12 CHAIRPERSON RICHARDS: Okay, great. If
13 you guys can get back to me on that... [crosstalk]

14 STEVEN LAWITTS: Yes.

15 CHAIRPERSON RICHARDS: ...I would
16 appreciate that.

17 STEVEN LAWITTS: And then... [crosstalk]

18 CHAIRPERSON RICHARDS: Because even if
19 you increase... it's, we need to know the numbers of
20 what's, what does that mean. Is it...

21 STEVEN LAWITTS: Sure.

22 CHAIRPERSON RICHARDS: ...did we increase,
23 so 10 dollars or a million or... [crosstalk] you know
24 so if you can get back to us...

1 STEVEN LAWITTS: Well, yeah it
2 certainly, it's certainly in the millions and we'll
3 get you the precise figures. And then for the the
4 Build it Back which I testified previously is, it,
5 DEP is the contracting agency for Build it Back. 52
6 percent of the subcontracts or 322 firms are MWBEs.

7 CHAIRPERSON RICHARDS: Build it Back?

8 STEVEN LAWITTS: Build it Back. That's,
9 that's...

10 CHAIRPERSON RICHARDS: I, I, I'm...

11 STEVEN LAWITTS: Yes.

12 CHAIRPERSON RICHARDS: So Build it Back
13 to Hurricane Sandy?

14 STEVEN LAWITTS: Yes.

15 CHAIRPERSON RICHARDS: But you guys are
16 aware that no money has technically gone out on
17 Build it Back yet?

18 STEVEN LAWITTS: But the, the contracts
19 have been awarded but the actual construction has
20 not yet started, that's correct.

21 CHAIRPERSON RICHARDS: Okay, alright,
22 since we're on that subject so when will
23 construction start on Build it Back? The contracts
24 have been awarded...

2 STEVEN LAWITTS: So I, I will give an as
3 complete answer as I can Chair Richards because
4 despite DEP being the contracting agency because
5 when, when Hurricane Sandy hit and rapid repairs
6 program... we saw basic utilities to Sandy damaged
7 houses and later Build it Back to replace floors
8 and walls and appliances and so on were created.
9 There had... legally had to be established a home
10 agency that could procure contracts. And DEP was
11 selected by the administration to be the housing
12 agency because we already had a large contracting
13 office, a large budget office, and we could get
14 these contracts drafted and out on the street
15 quickly. So shifting forward to Build it Back
16 contracts have been awarded through a series of job
17 order contractors but it's my understanding that
18 the critical path at this point is that the intake
19 I, which, which is the house by house determination
20 of what each house needs the, the menu of repairs
21 needed for each of the 20 something thousand houses
22 is not complete. And having said that Mr. Chair
23 the, the Program Management Office for Build it
24 Back is, it operates largely separately from DEP.
25 We, we provided the mechanism for them to contract

1 but the operation is conducted out of a, a separate
2 office at 250 Broadway. And...

3
4 CHAIRPERSON RICHARDS: So I, I'm aware
5 of that so...

6 STEVEN LAWITTS: Yes.

7 CHAIRPERSON RICHARDS: ...you're saying...
8 So these contracts have been awarded and once
9 intake is done the money is in the contract that
10 stands already if I heard you correct.

11 STEVEN LAWITTS: No, no, no the...

12 CHAIRPERSON RICHARDS: Okay.

13 STEVEN LAWITTS: ...the money doesn't get
14 into the contractor's hands until after they
15 complete their work they submit invoices to us. We,
16 we verify that that work's actually been done at
17 the prices that they've contracted for and then we
18 approve payment. So awarding the contract just
19 means that when this intake is competed and a work
20 order can be generated for each house we can, the,
21 the program management can give these work orders
22 to the contractor and say go out and make these
23 repairs. The contractors don't get any payment from
24 us what's so ever 'till they submit invoices based
25 on completed work only.

2 CHAIRPERSON RICHARDS: So would you say
3 intake is the hold up here?

4 STEVEN LAWITTS: It, it's the critical
5 pack at this point yes.

6 CHAIRPERSON RICHARDS: Okay. Okay I'm
7 just going to run it because I know a lot of my
8 colleagues have questions and I want to be kind. I
9 want to, just going to, I'm going to be selfish for
10 a little while. I'm just going to speak on the
11 Southeast Queens wells. So can you give us an
12 update on the funding and timeline for testing and
13 selecting wells in Southeast Queens. And I, I heard
14 you mention that 84 million dollars projected to be
15 spent between I believe 14 and 17 but what does
16 projected mean? Does that mean this year or next
17 year or what does that mean? And then also I know
18 that before I was chair there was 151 million put
19 in the budget to really start addressing this, the
20 station six. And that money's disappeared so I, I
21 want to know what are we going to do moving forward
22 to make sure that that money is put back in place?
23 As you guys know my Council Member Ruben Wills is
24 here, also Council Member Daneek Miller's not here
25 but we spoke the other... but his staff member is

1 here. And our communities have been inundated time
2 and time again with, with this issue of water. And
3 I think it's time that we, we stop beating around
4 the bush and this issue is not going to go away as
5 me, with me being chair. We have to start really
6 helping people who every time there's a light rain
7 have basement in their, in their water, in their,
8 water in their basement. So I, I know you guys have
9 done some things and I'm very appreciative of what
10 you've done in my district with Springfield lake,
11 you're really making a difference. And the area I'm
12 speaking about is not in my district, is in Saint
13 Albans. It is very unfair for these people to have
14 to endure this. I heard you speak of 80 percent of
15 the capital budget now can be reallocated into
16 other places. I think 151 million dollars is not
17 enough to ask for people who live in New York City
18 who pay their water rates and pay their bills, it's
19 very unfair for them, and for BEP and the water
20 board to come to them and say we're going to give
21 you an increase, and for them to have to pay an
22 increase and have to endure water in their
23 basements it's ridiculous. This is New York City.
24
25

1 We need to, we need to do something about this. So
2 I'll let you answer...

3 STEVEN LAWITTS: Okay.

4 CHAIRPERSON RICHARDS: ...on when do we
5 foresee this 151 million dollars being put back in
6 the budget. And I, I'm just quoting what you said;
7 80 percent of the programs that you know, that you
8 guys weren't mandated to be now you're free to do.
9 So this should be one of them.

10 STEVEN LAWITTS: Well, well thank you
11 Chair Richards. I think Joe is looking to see if we
12 in fact have with us the year by year breakout of
13 the, the Queens groundwater. If we don't we'll
14 certainly send that to the committee starting on
15 Monday.

16 CHAIRPERSON RICHARDS: No problem. If I
17 can suggest you guys putting that in the budget.
18 That would be very good to see between this year
19 and next year. No later than next year. I know I
20 just got here to see this.. just getting warm.

21 STEVEN LAWITTS: Absolutely Council
22 Member.

23 CHAIRPERSON RICHARDS: But we want to
24 see this money in the budget. It is very unfair to
25

1
2 this community. Once again I'm grateful for the
3 work you guys have done but it is unfair to these
4 communities.

5 STEVEN LAWITTS: Understood. And just to
6 add a little bit of, of context to this discussion.
7 And I know you and I have spoken about it before
8 and some of the other members. You're talking about
9 station six which is a ground water pumping
10 station. The, the vast majority of flooding that
11 occurs throughout the city of New York and
12 especially in Southeastern Queens or really any
13 part of Queens is from stream water and not ground
14 water. As you may be aware there are...

15 CHAIRPERSON RICHARDS: Not to, not to
16 cut you off but in 2007 you guys started pump,
17 pumping, using that station and the ground water
18 level did go down. The, the, the, the water table
19 decreased.

20 STEVEN LAWITTS: Mm-hmm.

21 CHAIRPERSON RICHARDS: It, it, well I'll
22 let you tell me if that's true or not but I
23 believe... based on things that I've seen and read...

24 STEVEN LAWITTS: Okay.
25

2 CHAIRPERSON RICHARDS: ...that these
3 things increase.

4 STEVEN LAWITTS: Sure pump, pumping from
5 water wells would cause the ground water table in a
6 certain area to decrease until there's recharge
7 from rain. That's a constant you know yearlong
8 battle day to day. But again it makes my original
9 point. The vast majority of flooding that occurs in
10 this city... if... majority it's from storm water. And
11 the, the answer to that, our storm sewers for which
12 we have in the four year plan includes alone 340
13 million dollars budgeted. When we're talking about
14 groundwater right now elected officials from,
15 throughout Southeast Queens have given us a number
16 of addresses as, as well as the addresses we have
17 through 311. And we have approximately 235 known
18 locations, known to us where people have complained
19 about groundwater. Now that does not mean, you know
20 there are two things. It doesn't mean that everyone
21 who's complained that they have groundwater,
22 groundwater actually has a groundwater issue. And
23 the other thing is that number could also be let's
24 say quadruple, maybe perhaps a thousand homes. When
25 we're talking about building storm sewers we're,

1
2 we're talking about tens of thousands, hundreds of
3 thousands of homes. So with a great disparity
4 between perhaps what you would spend 151 million
5 dollars on a pump station which may alleviate a
6 groundwater issue for one or two blocks versus 151
7 million dollars' worth of storm sewers which would
8 have a much larger impact. And the other thing
9 that's important to remember, just like any home;
10 if someone was experiencing water coming into their
11 home that means that there is a crack or a, a void
12 in the actual foundation of that building and
13 whether that's been caused by pressure via
14 groundwater which the city is, does not regulate or
15 control is a real issue. Does someone need repairs
16 to their home in order to fortify that home against
17 groundwater. Where I live in Staten Island I also
18 have groundwater in my, on my property. And until I
19 took some very inexpensive measures at home depot
20 my basement would flood as well. So there are
21 things that we can do and talk about those 235
22 homes for example this spring DEP is going to be
23 doing a door to door assessment with a local 501 C3
24 which we're about to put an, and with a private
25 engineering firm that's going to contact those

1
2 folks and do free assessments to try to determine
3 what their problem really is and how in some cases
4 I'm sure that there are problems that folks can
5 very very rapidly fix on their own. There are going
6 to be other places that are identified as really
7 serious conditions. And I think once we sort of
8 narrow those homes which a trip to home depot or a
9 minimal contractor could fix versus something that
10 may require a more enhanced city solution. I think
11 that'll be the first step in doing that. And
12 they're going to do that this spring.

13 CHAIRPERSON RICHARDS: So can you speak
14 on the 84 million that I saw in here, the projected
15 84 to assess. So how far are you guys along in your
16 study?

17 STEVEN LAWITTS: In, in groundwater
18 wells?

19 CHAIRPERSON RICHARDS: Yeah.

20 STEVEN LAWITTS: So as part of the Water
21 for the Future program what we're doing right now
22 is looking at which wells could be used for potable
23 water when we have to shut down the Delaware
24 aqueduct. The testing is still in progress and it's
25 scheduled to end this May. And they're site

1
2 specific basis of design reports that are being
3 generated in parallel with that work to continue
4 towards design. We expect to start construction on
5 some of those well heads by mid-2017... [crosstalk]

6 CHAIRPERSON RICHARDS: Why so far away?
7 [crosstalk]

8 STEVEN LAWITTS: Well these are, these
9 are... by in large these are well heads that have
10 been inactive for well over a decade so they
11 require... it's, it's not as simple as us coming in
12 and switching out a couple of light bulbs. We're,
13 we'll actually have to pull out well heads,
14 replace, and repair. These are not things you can
15 sort of buy off of the shelf. So we don't think... I
16 mean I, I think our original estimates were 2018 so
17 we're actually a little bit ahead of that at the
18 moment. And you know...

19 CHAIRPERSON RICHARDS: So we'll have to
20 endure flooding until 2017.

21 STEVEN LAWITTS: Well no. I, I, I think
22 that there are some people that may have
23 groundwater issues. Just because you have a
24 groundwater issue doesn't mean if I turn a well on
25 10 blocks from you that you're going to feel any

1 draw down at all in the ground water near your
2 home. The, the, the aquifers and the groundwater
3 that we're talking about, these wells go down, some
4 of them, hundreds and hundreds of feet below the
5 earth surface. So the drawdown of one particular
6 well and we're looking at turning on about 23 of
7 them does not necessarily mean that someone's going
8 to experience any type of relief from that Sir.

10 CHAIRPERSON RICHARDS: Right, so I agree
11 with you that obviously there are different issues
12 for different homeowners obviously. But we do know
13 and, and, and if you can just answer this question.
14 In 2007 when you guys started the pumping station
15 did we see a decrease in, in, decrease in
16 complaints? And I know a lot of those homeowners
17 personally who said when you guys started pumping
18 that they saw relief in their, in their, in their,
19 in their places. So would you say in 2007 when you
20 guys piloted it or reopened it that there was a
21 difference?

22 STEVEN LAWITTS: I, I, I don't have that
23 in front of me. I can get it to you. But you
24 remember that any water that was pumped from there
25 would have to go into the drinking water system.

2 CHAIRPERSON RICHARDS: Mm-hmm.

3 STEVEN LAWITTS: So there is no storm
4 sewer at station six. So are you talking about
5 taking that water, cleaning it and putting into
6 the, the actual drinking water system which then
7 instead of maybe 235 homes throughout Southeast
8 Queens that may be affected by groundwater you're
9 now talking about from just that one well maybe 10
10 or 20 thousand people drinking that water. So..
11 [crosstalk] I, I can't tell you. I'm going to have
12 to look up the data for that but... [crosstalk]

13 CHAIRPERSON RICHARDS: ...other, are there
14 other renewable energy things we can look at,
15 geothermal, other things we can look at that, that
16 can possibly, we can reutilize this water for,
17 rather than the going into the... [crosstalk]

18 STEVEN LAWITTS: We, we took some
19 preliminary looks at some of that stuff, geothermal
20 the water has to be cleaned. They need, they need
21 clean water to do that. And so anyone who would
22 let's say if we had a company that was nearby that
23 could build and had room to build and wanted to do
24 geothermal or, they'd have to clean that water
25

1 first. So that would require treatment facilities
2 on their end which could be expensive.

4 CHAIRPERSON RICHARDS: How expensive

5 STEVEN LAWITTS: It would depend on the
6 size and what, and what you're doing with it. So I
7 couldn't give you a number unless there was a
8 specific project. There's definitely... you know we,
9 we're looking to or... to see if there are any MTA
10 uses for some of the nearer bus depots or train
11 stations nearby. We've looked at preliminarily the
12 Port Authority and getting water to the port, more
13 grey water or non-potable water to the Port
14 Authority. We're still looking at that but it will
15 require a massive amount of infrastructure at least
16 at first glance. And then again we'd have to make
17 the, you know the decision do you want to spend X
18 number of millions of dollars for storm sewers or X
19 number millions of dollars to pump one well head?

20 CHAIRPERSON RICHARDS: So 151 billion
21 you would reallocate into during storm sewers
22 possibly... [crosstalk]

23 STEVEN LAWITTS: I, I didn't, I, I did
24 not say that.

2 CHAIRPERSON RICHARDS: Okay. Okay. If I...
3 [crosstalk] ...we'll, we'll continue the conversation
4 only in the interest of time and I don't want to...
5 [crosstalk]

6 STEVEN LAWITTS: Of course.

7 CHAIRPERSON RICHARDS: ...my colleagues. I
8 just want to go into the temporary boilers in many
9 of the NYCHA residences. So I represent the
10 Rockaways [sp?] and I know Council Member Treyger's
11 not here from Coney Island. And we want to know
12 have you guys got any air quality reports on the
13 temporary boilers? And, and how are you dealing
14 with the indoor air quality complaints when they,
15 when they come your way?

16 STEVEN LAWITTS: So indoor air quality
17 complaints is not something that DEP responds to.
18 We do, and we have gotten requests from... where, so
19 if a NYCHA resident calls 311 to complain about a
20 noise, a noise or a, an air issue for example we do
21 respond and we have responded to those generators.
22 We have to make sure they're in compliance with the
23 New York City air code. If they're not in
24 compliance they would receive a violation. Well
25 they would first receive perhaps a commissioner's

1
2 order to rectify the situation and then if not,
3 they would get a violation.

4 CHAIRPERSON RICHARDS: And are you guys
5 monitoring the temporary boilers now because we, as
6 you know we had a hearing a few weeks ago and I
7 know in my district where, some of the nights the
8 houses are still on temporary boilers in...

9 STEVEN LAWITTS: Right.

10 CHAIRPERSON RICHARDS: ...Council Member
11 Treyger's district. And, and we've gotten
12 complaints about them. So one of the things we
13 requested is you know air monitor be placed in
14 these NYCHA housing, NYCHA houses until obviously
15 the temporary boilers go offline in I think 17, I
16 think they said a 16 or 17... So are you guys
17 monitoring those as of now or...

18 STEVEN LAWITTS: I, I wasn't at that
19 hearing. Unfortunately I was away but I, I'll
20 double check on that. But we generally don't have
21 like the Community air monitoring system in place.
22 We would respond to each individual complaint.

23 CHAIRPERSON RICHARDS: So I was, could
24 suggest that you, that you guys consider doing air
25

1 monitoring somebody's location because we're
2 getting a, the, complaints of smog...

3 STEVEN LAWITTS: Mm-hmm.

4 CHAIRPERSON RICHARDS: And... And I'm
5 going to now stop because I know my colleagues have
6 been very patient with me and I want to be kind. So
7 I will start with Council Member Lancman who had
8 questions.
9

10 COUNCIL MEMBER LANCMAN: Good afternoon.

11 STEVEN LAWITTS: Good afternoon.

12 COUNCIL MEMBER LANCMAN: I, I want to
13 ask you a, a very specific question about the water
14 rates that New Yorkers pay to fund this, this
15 capital program. And just to bring our focus or our
16 attention to go through the extraordinary rate
17 increases that New Yorkers have experienced in the
18 last ten years. Starting in 2005 five and a half
19 percent, three percent, 9.4 percent, 11 and a half
20 percent, 14 and a half percent in 2009, 12.9
21 percent, 12.9 percent, seven and a half percent,
22 seven percent and 5.6 percent last year and we
23 don't know what the rate increase will be this
24 year. And the reason is, as we know that we pay
25 these very high rates is because the revenue that

1 we generate from these rates is far in excess of
2 what it costs to pay the debt service on the
3 capital projects that DEP oversees. And, and here's
4 what candidate di Blasio had to say about the
5 system. For decades the water system only charged
6 customers what it needed to cover its costs. But
7 now anyone who pays a water bill is sending more
8 and more of their money into the city's general
9 budget. It's wrong and it has to stop. So my
10 question to you is what does this budget, now Mayor
11 di Blasio, what is Mayor di Blasio's budget do to
12 write what he described as a wrong and make it
13 stop. Well Council Member Lancman the payment to
14 the city that you're referring to is called the
15 city rental payment. And it's about 200 million
16 dollars per year and it is required by a lease
17 between the city and the water board and a
18 financing agreement that is among the city, the
19 water board, and the water finance authority both
20 the lease and the financing agreement dating back
21 to 1984 and rooted in state law. So the, those
22 documents require the water board to pay the rental
23 payment to the city if the mayor requests the
24 rental payment. Every year so far the mayor has

1 requested that the water board pay the rental
2 payment. And, and therefore the water board has
3 paid that rental payment. So that rental payment is
4 outside of the DEP budget. It, it, it's not
5 anywhere, it's not a DEP payment, it is.. and again
6 the, the financing agreement and the lease say that
7 the rental is set at 15 percent of the debt service
8 that the water finance authority pays on the bonds
9 that are outstanding.

11 COUNCIL MEMBER LANCMAN: Well that's
12 half of what it says right? The other... that, that's
13 half of what the lease says. The other half is that
14 I guess of the, the election of the city, the
15 rental payment is either the 15 percent of the debt
16 service that DEP is paying on the water finance
17 authority is paying on its bonds or it's the amount
18 that the city is paying on the general obligation
19 bonds for a DEP infrastructure. So it's a choice
20 between the two.

21 STEVEN LAWITTS: No that's not entirely
22 correct Council Member. The, it, the lease more
23 specifically says that it is the debt service on
24 those old general obligation bonds that were issued
25

1 before the water finance authority was created in
2 1984.

3
4 COUNCIL MEMBER LANCMAN: Right.

5 STEVEN LAWITTS: Or 15 percent of water
6 finance authority debt service, whichever is
7 higher.

8 COUNCIL MEMBER LANCMAN: So the
9 whichever is higher dictates which of those two
10 choices.

11 STEVEN LAWITTS: Yes and, and that
12 crossover point where 15 percent of water finance
13 authority became higher than the debt service on an
14 outstanding general obligation bonds was reached in
15 approximately 2005. And with DEP having continued
16 to invest in its infrastructure by billions of
17 dollars each year every year they're after as their
18 debt service continues to grow the rental payment
19 continues to grow.

20 COUNCIL MEMBER LANCMAN: Now I hear, I
21 heard you referenced this so I, I, I think I'm,
22 I'm, I'm correct but I'd like you to just confirm
23 it for me. It is still up to the Mayor of the city
24 whether or not it wants to require DEP, the water
25 finance authority to make those lease payments. And

1
2 presumably if it's in the Mayor's authority to
3 require the water finance authority to make those
4 lease payments at all the mayor has the authority
5 to ask the water finance authority to make those
6 payments only in the amount of the city's and the
7 water finance authority's, well the city's debt
8 service obligations correct?

9 STEVEN LAWITTS: Yes... just with, with
10 one correction. It's that the, it is actually the
11 New York City water board that has to make the
12 rental payment, not the finance authority.

13 COUNCIL MEMBER LANCMAN: Thank you. So
14 it's the New York City water board. So the mayor
15 has the authority to say to the New York City water
16 board; listen, according to our lease you owe us
17 actually more than what it costs us to meet our
18 debt service obligations. But I am going to only
19 ask you to pay the amount of our debt service
20 obligations. The mayor has that authority correct?

21 STEVEN LAWITTS: That, that's an option
22 that's available to the mayor yes.

23 COUNCIL MEMBER LANCMAN: And, and I
24 would assume that when candidate di Blasio said
25 that he was going to write the wrong of New Yorkers

1
2 paying water rates that were far in excess of what
3 it cost to fund the, the, the DEP's capital program
4 that that's what he meant. To your knowledge has
5 the city yet stated or, or sent to the, to DEP or,
6 or to the water board its bill for this year's
7 lease?

8 STEVEN LAWITTS: It, it has not yet. In
9 past years the demand for rental payment is usually
10 provided to the water board in the late April to
11 early May time frame.

12 COUNCIL MEMBER LANCMAN: Just remind me
13 of, of the time table you gave us earlier of when
14 the water board is going to set this year's rates.

15 STEVEN LAWITTS: Sure the, the..

16 COUNCIL MEMBER LANCMAN: Is it, is it
17 before or after the mayor would ordinarily make
18 the, the, the lease demand, the payment demand?

19 STEVEN LAWITTS: It, it, the water board
20 would adopt the rate. It's scheduled to adopt the
21 rate May 23rd this year. And in every year so far
22 the rate adoption has taken place after the mayor
23 has made the demand for the rental payment.

24 COUNCIL MEMBER LANCMAN: I'm glad to
25 hear that because that's the sensible order of

1 things. Well I certainly am going to be urging the,
2 the mayor. And I think the DEP should consider
3 doing so as well, at least in your internal
4 conversations with, with the administration for the
5 sake of the agency's credibility that he honor the
6 commitment that he made to New Yorkers when he was
7 running to not charge us or tax us through the
8 water rates for more than what it cost to actually
9 pay for the water infrastructure and not use the
10 water rates as a hidden tax as he called it on New
11 Yorkers. And I think you know something that the
12 council's going to be paying very close attention
13 to.

14
15 COUNCIL MEMBER LANCMAN: Let me also ask
16 you a, a parochial question if I may. We have a
17 flooding program in a part of the district that I
18 represent in Fresh Meadows on utopia parkway. There
19 are many flooding problem, including on my own
20 street where I had to get a check valve installed
21 at my own expense a few years ago because sewage
22 back up into my basement. DEP has been working with
23 the Community. It was, we were fortunate to have as
24 our former Councilman Gennaro who was previously
25 the chair of this committee, ably assisted by now

1 Councilman Costa Constantinides. And we seem to
2 have hit a, a, a lull or maybe a stall. Or maybe
3 I'm just not as informed as I, as I could be
4 regarding the progress of alleviating flooding on
5 utopia parkway. And so we received in June of 2013
6 from DEP something called the Utopia Parkway update
7 to the Homeowner's Association on, on Utopia
8 Parkway.
9

10 STEVEN LAWITTS: IT's a DEP document.

11 James Roberts Pete Deputy Commissioner.

12 COUNCILMAN LANCMAN: And it lists three
13 options for alleviating the flooding. The tension
14 system on Utopia Parkway, street improvements,
15 green infrastructure, permeable pavement, and then
16 street improvements, a street regarding and
17 reconsideration. And all of these were recommended
18 by DEP to, to advance as the, the term is in the
19 document and some required some cooperation with
20 other agencies. Do you know if the funding for
21 these programs is in the preliminary budget that
22 we're talking about today? And if not how do we get
23 there?

24 STEVEN LAWITTS: I'm familiar with the
25 document. I don't, I don't have it in front of me

1 but, but I think you gave a, a very good sum,
2 summarization of what it was including working with
3 DOT for example on some of the street improvements..
4 that are necessary. I don't know if that's funded
5 in the current budget. We're going to have to get
6 back with you but I'll check with Deputy
7 Commissioner Roberts and Assistant Commissioner
8 Mirren and we'll see. I know that the detention
9 tank was the largest piece of that. I also know one
10 of the other things that we were trying to do and,
11 and just scheduling did, for whatever reason didn't
12 allow, was to deliver rain bowels to your district
13 in order for homeowners to take some of that rain
14 water off. You have a large sewer under Utopia
15 Parkway large enough to actually drive a car
16 through. The, the issue there is the, the, it's
17 basically a bowl that... I've been out to Utopia to
18 that exact location right after rainstorms where
19 you could see the flood damage and it dissipates
20 within minutes after a calm so just sort of think
21 of it as a flash flood for example. So part of the
22 problem isn't that there is not enough sewer but
23 it, just how fast the water gets to that bowl. So
24 sort of retaining it as much as possible. You just
25

1 key also some of the.. and I, I lived in apartments
2 my whole life, co-ops, condos? A few years back I
3 was meeting with a group of home owners in
4 Southeast Queens and, and group of clergy. And we
5 were talking about, you know it's funny when, when
6 you buy a home no one gives you sort of a how to
7 guide. Like how to, how to do this for your home,
8 how to do that for your home. And one of the
9 things that came out of that was DEP where, were
10 doing a final edits now on a homeowners guide for
11 flooding and how to protect your home again so.. And
12 right on Utopia Parkway. I remember very clearly
13 on, on one corner across from.. there's a synagogue
14 right there.. They have a, they have a, I don't know
15 how exactly they did this but they dug out a
16 portion of their yard and they installed below
17 ground pre-k facility, or a daycare facility.

19 COUNCIL MEMBER LANCMAN: Right, right.

20 STEVEN LAWITTS: That floods
21 unfortunately mostly because it's about eight feet
22 below ground, below grade..

23 COUNCIL MEMBER LANCMAN: But they also
24 get, they also get sewage.. [crosstalk] from their,
25 from their pipes also.

2 STEVEN LAWITTS: Just across the street
3 from that there were two homeowners both of which
4 had sunken driveways. One homeowner had built
5 essentially a barrier that he could easily put in
6 place which I think were just a couple of two by
7 fours and the homeowner next to him did not. The
8 homeowner who simply barricaded his driveway
9 received no flooding and his next door neighbor was
10 completely flooded with a couple of feet of water
11 in his basement. So there are some things that
12 homeowners can do, we're going to be going around
13 showing them what they can do on their own quite
14 easily. But we'll get back to you on the specific
15 questions you had with the funding for those
16 projects.

17 COUNCIL MEMBER LANCMAN: Good. I
18 appreciate that thank you.

19 STEVEN LAWITTS: Thank you.

20 CHAIRPERSON RICHARDS: Right before we
21 get to [static] something [static] forgot to leave
22 out, water mains. So I know we've had a lot of
23 incidents with water mains in my district in the
24 Rockaways. And obviously we seen what just happened
25 in Harlem, in east Harlem. Would you guys speak on

2 what are we doing to better maintain the water
3 mains as well? Did water mains have anything to do
4 if you can speak at this time or on...

5 STEVEN LAWITTS: Sure.

6 CHAIRPERSON RICHARDS: ...what happened in
7 Harlem.

8 STEVEN LAWITTS: Sure. So in, in East
9 Harlem it's, it's raised really to tell what's
10 going on. The, the national transportation safety
11 board is involved there as well. It appears that
12 there's at least a, a service line break at that
13 property. But whether it's, you know that happened
14 before or after you know is yet to be determined.
15 What I can tell you is that we've gone through all
16 of our records and we did not have any calls for a
17 water main break or service line break at that
18 location prior to that event. The only calls that
19 anyone is aware of prior to that event are the
20 calls for the, for the smell of gas. There's
21 nothing for water. But of course we have to get to
22 the very bottom of that. And then just in terms of
23 water main breaks obviously we've had a very
24 difficult winter. And we've seen some water main
25 breaks, one in your district, several throughout

1
2 the city. It's a little too early right now though
3 to tell whether that will throw off the entire
4 year's number. Water main breaks in general have
5 been decreasing the last several years as a re,
6 result of proactive work by DEP which essentially
7 regulates the pressure put through those mains. So
8 the more advanced we get with technology the more
9 we can innovate some of the pressure constraints on
10 some of those mains, some of which if you were
11 talking about Manhattan for example we had a large
12 one in Union Square earlier this winter. You're
13 talking about mains that go back to the 1800s. What
14 we've been able to do through, through our work
15 proactive again is reduce some of the pressure
16 that's on those mains and we've had far less water
17 mains in, break in general. We'll have to see what
18 this winter will do, oh well there was an uptick.
19 I, I, off the top of my head I don't think it was
20 so severe that it's going to you know disrupt what
21 we've normally seen which is a, a decrease.

22 CHAIRPERSON RICHARDS: Alright if we can
23 just look at making sure... you know and once again I
24 know we had a harsh winter...

25 STEVEN LAWITTS: Yes.

CHAIRPERSON RICHARDS: ...but we should definitely take a, a beat, take a proactive approach on that as we go on. We have to..

STEVEN LAWITTS: Absolutely.

CHAIRPERSON RICHARDS: ...expect obviously to have more of these harsh winter...

STEVEN LAWITTS: Absolutely.

CHAIRPERSON RICHARDS: ...harsh winters. Next I will call Council Member Costa Constantinides.

COUNCIL MEMBER CONSTANTINIDES: Got it.

CHAIRPERSON RICHARDS: Theego [phonetic]

COUNCIL MEMBER CONSTANTINIDES: Thank you Chair Richards. You've been doing a fantastic job thank you sir. Good afternoon.

STEVEN LAWITTS: Good afternoon.

COUNCIL MEMBER CONSTANTINIDES: [crosstalk]... if the Chair will indulge me I have a few different questions on a few different topics where I can just sort of run through some. And I share my colleague Council Member Lancman's concerns relating to the rental payment and the increase of water rates over the years and better using those dollars for the water and sewer system

1 that, as they were intended to be used. So I know
2 in the, in the past, correct me if I'm wrong, there
3 was a reimbursement to the, the fire department for
4 the usage of fire hydrants and also for street
5 cleaning. Is that still part of the budget. Because
6 the main sort of functions I understand the
7 environmental reasons and why they may be
8 connected. But their primary functions are not of
9 a, of a water and sewer rate, water and sewer sort
10 of system..
11

12 STEVEN LAWITTS: Yes Council Member
13 Constantinides, is that close?

14 COUNCIL MEMBER CONSTANTINIDES:
15 [crosstalk] just call me Costa that's fine.

16 STEVEN LAWITTS: Okay.

17 COUNCIL MEMBER CONSTANTINIDES:
18 [crosstalk] just one name's alright.

19 STEVEN LAWITTS: Okay, well thank you
20 for that. Yes... currently as it has been in the past
21 we pay the fire department to inspect the fire
22 hydrants. So we, we have 109 thousand fire
23 hydrants. The fire department inspects them and to
24 the extent that they need repairs DEP repairs them.
25 But we, we pay the fire department approximately

1 seven million per year for that, those inspections.
2
3 And as the Council Member also observed we pay to
4 the Department of Sanitation approximately 30
5 million dollars per year which represents a portion
6 of their street cleaning cost because the street
7 cleaning minimizes the amount of litter that goes
8 into our catch basins, our wastewater treatment
9 system and, and minimizes the amount that become
10 floatables out in the harbor.

11 COUNCIL MEMBER CONSTANTINIDES: Well I'm
12 very glad to hear it's part of the street cleaning
13 budget. Because I, I definitely agree that's a
14 laudable goal but it's not the primary goal of what
15 the street cleaners are there for so... I, I'll move
16 on with my question fitting the interest of time.
17 As far as the, the bill that was passed a couple
18 years back relating to backflow devices and the
19 reporting for those priority buildings. I just want
20 to know how is, how's that going, how are we doing
21 in getting those backflow devices installed
22 throughout the city in, in problem areas.

23 STEVEN LAWITTS: I'm afraid I don't have
24 the exact number for you but we can provide it.
25 It's, it's going. Well we've gone through, we've

1 prioritized the number of facilities based on what
2 they would have at each facility obviously for, so
3 for example dry cleaning as opposed to let's say a
4 dentist office which would also require... You, you
5 should also note that as a result of that bill a
6 very significant push back in the business
7 community because folks don't really understand why
8 they would necessarily have to put in the back flow
9 device. So we do very often go to a lot of forms
10 hosted by members of the council, the assembly, and
11 the senate when requested to discuss why a
12 particular business... Look you, you could have a
13 business that let's say produces baked goods but
14 you may be required to put that backflow prevention
15 device simply because of a sprinkler system or
16 something like that which exists in the building.
17 So it does require a little bit of explanation.
18 There's a lot of **[inaudible 1:41:53]** but we, we
19 first and foremost prioritized the buildings that
20 require the most serious attention and impose more
21 of a risk to the system. But now we're, we're sort
22 of down to doctor's offices and some other more
23 innocuous facilities. But we can, we, we often send

2 that report to the council like once a year but we
3 can give you an updated version of that.

4 COUNCIL MEMBER CONSTANTINIDES:

5 Wonderful, thank you. I appreciate that. And I'm
6 glad to hear that we've moved [static] some of the
7 more inactions sort of uses to get those backflow
8 devices in. Just very quickly transition to the
9 bill that was passed by override earlier on this
10 year. I know there was some dispute of whether or
11 not DEP was going to be administering the volunteer
12 environmental master remediation program or it was
13 going to be through DOH. Has that now that it's
14 been sort of passed into law how is that coming as
15 far as implementation? Is it, there going to be
16 DEP, is it going to be at the Department of Health,
17 where is that, how is that program going to be
18 implemented?

19 STEVEN LAWITTS: I, I believe so. That,
20 that is with our agency now. And it, it's going to
21 require, as you may be aware it requires that the,
22 the fines sort of, that are, that are, or they're,
23 not the... [crosstalk] the applicate, the
24 applications will pay for us having it there. We
25 are currently going through that process and

1 spending the man hours and the man time now
2 building that program.

3
4 COUNCIL MEMBER CONSTANTINIDES: Any idea
5 when that's going to be... [crosstalk]

6 STEVEN LAWITTS: Not off the top of my
7 head Sir.

8 COUNCIL MEMBER CONSTANTINIDES: Okay.

9 STEVEN LAWITTS: But we can give you a
10 status report.

11 COUNCIL MEMBER CONSTANTINIDES: Probably
12 just because it's, it's a good consumer protection
13 bill. It, it gives us an option so no one sort of
14 holds up themselves as a master remediation
15 specialist... [crosstalk]

16 STEVEN LAWITTS: Absolutely.

17 COUNCIL MEMBER CONSTANTINIDES: ...with a
18 you know mop and a bucket and a role of paper
19 towels and say hi we're here to clean up a very
20 serious mess.

21 STEVEN LAWITTS: Absolutely.

22 COUNCIL MEMBER CONSTANTINIDES: I
23 appreciate your attention to that. And lastly I'll,
24 I'll go local. The, the Bowery Bay Sewage Treatment
25 Plant, just want to king of sort of get a... you

1
2 talked earlier about this stronger more resilient
3 New York plan. I know at the Bowery Bay Sewage
4 Treatment Plant is in a flood zone.

5 STEVEN LAWITTS: Yes Sir.

6 COUNCIL MEMBER CONSTANTINIDES: And I
7 wanted to get sort of a thought on the, what's
8 happening there as it comes to resiliency, how is
9 it working, how are things going to be improved for
10 the community. Because if there is a smell that
11 sort of emanates from there and..

12 STEVEN LAWITTS: Sure. So all of our 14
13 wastewater treatment plants are in flood zones you
14 know for the, for the very fact that they have to
15 discharge into the, into the receiving waters.
16 Bowery Bay was not significantly impacted by
17 Hurricane Sandy but each one of our wastewater
18 treatment facilities and then we looked at the, the
19 pump stations with 96 total, 58 of which were
20 affected I believe or 56 affected by Superstorm
21 Sandy. We're, we're making upgrades now for the
22 next storm. Where do we have to relocate... [cough]
23 ...the electrical systems to be above the flood plain
24 and then above sea rise. So we're doing that at
25 each one of our wastewater treatment plants and

1 obviously prioritizing the ones that were hit
2 before. And we're making of course the assessments
3 for, for, since we don't know where the next storm
4 would hit of what other... you know the, we were
5 looking at all of our facilities. In terms of odors
6 or smells generally odor complaints from wastewater
7 treatment plants have dissipated over the last
8 several years as newer technology comes online. I'm
9 not, I don't have the 311 report in front of me
10 that details the number of calls into Bowery Bay
11 but we can look at that and of course we would
12 welcome a Council Member and any of the other
13 Council Members to tour any or all of our treatment
14 plants and, and, not aware of any significant
15 current odor issues at the plant but we'll
16 definitely look into it and each time one is
17 reported we send out from the plant personnel which
18 have air monitoring devices on them and they will
19 try to track down where that odor is coming from
20 and see if it's an operational issue. Many times it
21 could be as simple as you know an open door or vent
22 that should be closed or should have been closed
23 that can be shut. We also obviously transport
24 sludge which is the residual leftover from the
25

1
2 process and sometimes the movement of those, or the
3 facilities which house them can produce certain
4 odors. So there are things that are systemic
5 operational issues and there are things that are
6 one off issues so... it, it often helps when we get a
7 report of an odor we immediately go out. Even just
8 one, if even just one report is brought in through
9 311 we send out personnel right then and there at
10 the plant. So we, we take those reports very
11 seriously and obviously if there's anything we can
12 do to adjust it we will. And if there's a systemic
13 problem often we'll, we'll meet with the community
14 and the council members and we'll try to work out a
15 solution. So we look forward to that should it be
16 the case. And welcome all of you tour any of our
17 facilities both here and in the water shed.

18 COUNCIL MEMBER CONSTANTINIDES: I

19 appreciate that and I look forward to actually
20 doing that with you. And I... we're looking to, a
21 very exciting revitalization of the northern part
22 of Astoria and then I know that Steinway Mansion is
23 now under contract was not too far away from there.
24 And the possibility of what's going to happen there
25

1
2 it's, the sewage treatment plant's only a few
3 blocks away.

4 STEVEN LAWITTS: Understood.

5 COUNCIL MEMBER CONSTANTINIDES: So as
6 that, we move forward together I'd like to have
7 this conversation with you.

8 STEVEN LAWITTS: Absolutely.

9 COUNCIL MEMBER CONSTANTINIDES: Thank
10 you. Thank you Chairman Richards.

11 CHAIRPERSON RICHARDS: I'm going to soon
12 let you guys go. I just want to touch base on
13 noise. I know noise was the number one 311
14 complaint. And just wanted to know how are we
15 dealing out, what are you guys going to do in terms
16 of enforcement. Are you putting more money into
17 enforcement? Not that I want everybody fined but
18 you know what are we doing to, to look at noise?
19 And also I want to hop back on air.

20 STEVEN LAWITTS: Sure.

21 CHAIRPERSON RICHARDS: In, in terms of
22 air I know that there were six, there was a six
23 percent increase in air complaints in the first
24 quarter of fiscal year 2014. And compared to last
25

1
2 year. And I want to know what was that attributed
3 to?

4 STEVEN LAWITTS: Let me at least answer
5 part of it. I, I think the increase is, just part
6 of a normal year to year variation. We didn't
7 detect any pattern in terms of the cause and when
8 we looked at it some categories of complaints had
9 risen while another had decreased but yes the
10 overall increase was at six percent...

11 CHAIRPERSON RICHARDS: Which complaints
12 were those? So can you speak of the difference..
13 [crosstalk]

14 STEVEN LAWITTS: ...I know we...

15 CHAIRPERSON RICHARDS: ...sort of the
16 complaints.

17 STEVEN LAWITTS: ...have that here and if
18 I don't find it right now I will in a few minutes.

19 CHAIRPERSON RICHARDS: That's no
20 problem.

21 STEVEN LAWITTS: Yeah.

22 CHAIRPERSON RICHARDS: I'm going to give
23 you a grace period it's fine. It's Friday, it's
24 Friday and it's a pay day.

25 STEVEN LAWITTS: Is it?

CHAIRPERSON RICHARDS: No, yeah.

STEVEN LAWITTS: I kind of lost track...

CHAIRPERSON RICHARDS: So... so, I'm going to be kind. But if you can get back to us...

[crosstalk] I'm, you know as we is and certainly for my community and I know we had a hearing a few weeks ago, air quality is a major concern. It is a, a, a killer of our communities, a silent killer.

And I'm hoping DEP is going to do more in this, under this new administration to really address air quality issues. And also noise.

STEVEN LAWITTS: Mm-hmm.

CHAIRPERSON RICHARDS: We get a lot of noise complaints.

STEVEN LAWITTS: Absolutely.

CHAIRPERSON RICHARDS: And like I said 311, you know is the number one...

STEVEN LAWITTS: ...Number one issue.

CHAIRPERSON RICHARDS: ...number one issue.

STEVEN LAWITTS: It is Councilman. And then, and just, and I think you know this but just a refresher for, for maybe someone who doesn't on the committee. We only respond to certain noise

1
2 complaints. It's obviously neighbor to neighbor
3 complaints, things like that, or the NYPD so, so
4 we're really doing bars, restaurants, thing, things
5 along those lines, sort of commercial noise and
6 less of the sort of neighbor to neighbor stuff,
7 house parties, things like that which are really
8 within the noise breakdown of the number one issue.
9 Neighbor to neighbor NYPD required action is, is I
10 think far above our noise implementation and then
11 in terms of air quality obviously with the airport
12 being in your district and, and then again by
13 LaGuardia. Those are very serious issues. And all
14 throughout Queens because of the Long Island
15 Railroad for example. Metro, metro north and parts
16 of Manhattan. There, there were things that are
17 outside of our control but because they're run by
18 the state and the federal government has
19 jurisdiction but I know that we've provided in the
20 past certainly for, for noise at the airport. We've
21 provided the ability to conduct an official study
22 which was very helpful to the community I think
23 advancing what they can do and... So they're all
24 resources available at DEP and we can work with,
25 with the council to provide you know a, another

1 level of information and really on the community
2 with the facts. And I think we stand ready to work
3 with the council and the administration on issues
4 like this... [crosstalk]

6 CHAIRPERSON RICHARDS: And I know
7 there's a study done I believe for LaGuardia. Are
8 you guys considering one for JFK?

9 STEVEN LAWITTS: On, on noise?

10 CHAIRPERSON RICHARDS: On air...

11 [crosstalk]

12 STEVEN LAWITTS: On air?

13 CHAIRPERSON RICHARDS: Yeah.

14 STEVEN LAWITTS: I'm not, I, I wasn't
15 aware the air...

16 CHAIRPERSON RICHARDS: Both air and
17 noise. I'll take both.

18 STEVEN LAWITTS: I'll have to get back
19 to you on that one. I wasn't sure that we had done
20 air at LaGuardia. I think just noise. But certainly
21 if the council requests we would, would do that.

22 CHAIRPERSON RICHARDS: Sure. So today
23 will be my first request.

24 [laughter]

25 STEVEN LAWITTS: ...noted for the records.

2 CHAIRPERSON RICHARDS: Alrighty

3 [phonetic], I want to thank you gentleman for
4 coming in and, and being so gracious. And, and we
5 appreciate all you're doing and we look forward to
6 working with you. And it's been a pleasure.

7 STEVEN LAWITTS: Thank you Chairman
8 Richards and, and members. And the feeling's
9 mutual. We look forward to our new and continuing
10 relationship.

11 CHAIRPERSON RICHARDS: Thank you. I look
12 forward.. [crosstalk] I known him for a while.

13 [laughter]

14 CHAIRPERSON RICHARDS: Do any members of
15 the public wish to testify? Now is your moment.

16 Alrighty [phonetic], seeing none alrighty
17 [phonetic] this meeting is adjourned.

18
19
20
21
22 [gavel]

23
24
25

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date April 12, 2014