

THE COUNCIL OF THE CITY OF NEW YORK

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Committee on Sanitation and Solid Waste Management



## Hearing on the Fiscal Year 2013 Executive Budget

Department of Sanitation

**May 24, 2012**

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## Department of Sanitation Fiscal 2013 Budget Overview

The Department of Sanitation (DSNY or the Department) promotes a healthy environment through the efficient management of solid waste and the development of environmentally sound long-range plans for handling refuse, including recyclables. The Department operates 59 district garages and manages a fleet of 2,022 rear-loading collection trucks, 450 mechanical brooms and 365 salt spreaders. Each day approximately 11,000 tons of household and institutional waste is collected. The Department clears litter, snow and ice from approximately 6,000 City street miles, and removes debris from vacant lots as well as abandoned vehicles from the City streets.

This report presents an analysis of the Department's Fiscal 2013 budget as proposed in the Executive Budget. The report contains highlights of changes organized by program area, followed by highlights arranged by budget action category. Changes proposed in the Fiscal 2012 November Plan or the Fiscal 2013 Preliminary Budget can be seen in Appendix 1 and were reviewed at the Committee on Sanitation and Solid Waste Management's March 13, 2012 hearing.

### Department of Sanitation Financial Summary

*Dollars in Thousands*

|                                            | 2011<br>Actual     | 2012<br>Adopted    | 2012<br>Exec. Plan | 2013<br>Exec. Plan | *Difference<br>2012 - 2013 |
|--------------------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------------|
| <b>Spending</b>                            |                    |                    |                    |                    |                            |
| Personal Services                          | \$851,684          | \$789,120          | \$790,734          | \$820,109          | \$30,989                   |
| Other Than Personal Services               | 556,698            | 511,762            | 503,681            | 531,922            | 20,160                     |
| <b>TOTAL</b>                               | <b>\$1,408,383</b> | <b>\$1,300,882</b> | <b>\$1,294,414</b> | <b>\$1,352,030</b> | <b>\$51,148</b>            |
| <b>Budget by Program Area</b>              |                    |                    |                    |                    |                            |
| Civilian Enforcement - Bronx               | \$875              | \$866              | \$869              | \$827              | (\$39)                     |
| Civilian Enforcement - Brooklyn            | 1,020              | 1,249              | 1,344              | 1,290              | 41                         |
| Civilian Enforcement - Manhattan           | 786                | 839                | 864                | 840                | 1                          |
| Civilian Enforcement - Queens              | 965                | 1,013              | 1,002              | 988                | (25)                       |
| Civilian Enforcement - Staten Island       | 160                | 115                | 108                | 107                | (8)                        |
| Collection & Street Cleaning-Bronx         | 73,481             | 57,737             | 60,241             | 57,345             | (393)                      |
| Collection & Street Cleaning-Brooklyn      | 172,564            | 131,879            | 138,894            | 132,442            | 563                        |
| Collection & Street Cleaning-General       | 64,391             | 178,484            | 179,812            | 203,942            | 25,458                     |
| Collection & Street Cleaning-Lot Cleaning  | 14,366             | 16,651             | 16,400             | 15,025             | (1,626)                    |
| Collection & Street Cleaning-Manhattan     | 101,431            | 78,911             | 79,985             | 78,168             | (743)                      |
| Collection & Street Cleaning-Queens        | 166,852            | 126,947            | 132,715            | 126,115            | (832)                      |
| Collection & Street Cleaning-Staten Island | 49,209             | 37,691             | 39,815             | 37,433             | (259)                      |
| Enforcement - General                      | 15,488             | 17,332             | 16,716             | 17,317             | (14)                       |
| Engineering                                | 5,492              | 5,448              | 5,218              | 5,832              | 384                        |
| General Administration                     | 101,351            | 108,278            | 98,130             | 106,701            | (1,577)                    |
| Legal Services                             | 3,461              | 3,599              | 3,587              | 3,775              | 176                        |
| Long Term Export                           | 3,513              | 3,360              | 3,913              | 1,770              | (1,590)                    |
| Public Information                         | 1,790              | 2,067              | 2,069              | 2,053              | (14)                       |
| Snow Removal                               | 124,238            | 42,825             | 30,025             | 59,905             | 17,080                     |

|                                        | 2011               | 2012               | 2012               | 2013               | *Difference     |
|----------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------|
| <i>Dollars in Thousands</i>            | Actual             | Adopted            | Exec. Plan         | Exec. Plan         | 2012 - 2013     |
| Solid Waste Transfer Stations          | \$7,525            | \$8,281            | \$7,355            | \$8,281            | \$0             |
| Support Operations - Motor Equipment   | 78,717             | 79,082             | 78,562             | 81,006             | 1,925           |
| Support Operations-Building Management | 20,563             | 19,087             | 20,433             | 19,180             | 92              |
| Waste Disposal - General               | 13,057             | 12,696             | 14,990             | 13,753             | 1,057           |
| Waste Disposal - Landfill Closure      | 59,774             | 34,325             | 32,107             | 32,130             | (2,195)         |
| Waste Export                           | 299,328            | 304,605            | 301,227            | 309,482            | 4,876           |
| Waste Prevention, Reuse, and Recycling | 27,987             | 27,516             | 28,031             | 36,324             | 8,809           |
| <b>TOTAL</b>                           | <b>\$1,408,383</b> | <b>\$1,300,882</b> | <b>\$1,294,414</b> | <b>\$1,352,030</b> | <b>\$51,148</b> |
| <b>Funding</b>                         |                    |                    |                    |                    |                 |
| City Funds                             | N/A                | \$1,272,483        | \$1,260,265        | \$1,328,389        | \$55,906        |
| Other Categorical                      | N/A                | 750                | 1,400              | 750                | 0               |
| Capital- IFA                           | N/A                | 8,638              | 7,038              | 5,412              | (3,226)         |
| State                                  | N/A                | 25                 | 4,781              | 25                 | 0               |
| Federal - Community Development        | N/A                | 16,468             | 16,468             | 14,843             | (1,625)         |
| Federal - Other                        | N/A                | 0                  | 774                | 0                  | 0               |
| Intra City                             | N/A                | 2,518              | 3,689              | 2,610              | 93              |
| <b>TOTAL</b>                           | <b>N/A</b>         | <b>\$1,300,882</b> | <b>\$1,294,414</b> | <b>\$1,352,030</b> | <b>\$51,148</b> |
| <b>Positions</b>                       |                    |                    |                    |                    |                 |
| Full-Time Positions - Civilian         | 1,939              | 2,069              | 1,977              | 1,970              | (99)            |
| Full-Time Positions - Uniform          | 6,954              | 6,963              | 7,197              | 7,178              | 215             |
| <b>TOTAL</b>                           | <b>8,893</b>       | <b>9,032</b>       | <b>9,174</b>       | <b>9,148</b>       | <b>116</b>      |

\*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 Executive Plan funding.

\*\*Continuation from previous page

The Department's Fiscal 2013 Executive Budget of \$1.35 billion is \$51.15 million more than its Fiscal 2012 Adopted Budget of \$1.3 billion. The change is due to an increase in the Personal Services (PS) budget of \$30.99 million and an increase of \$20.16 million in the Other Than Personal Services (OTPS) budget, which will be discussed in detail in the following pages.

This program budget shows the breakdown of funding by program area. While some program areas are further broken down by borough it should be noted that funding is added and removed from the 'general' line for those program areas and are then distributed based on need. During times of high need such as for snow removal, resources are moved around much more fluidly than the individual budget lines would suggest.

## Program Area

**Collection & Street Cleaning.** The Bureau of Cleaning and Collection is responsible for collecting residential refuse and recyclables, cleaning the streets, and removing snow from streets during storms. It is also responsible for cleaning vacant lots which is funded through Federal grants from the Department of Housing and Urban Development (HUD).

Total funding for this program area increased by \$22.17 million, or 3.5 percent, to \$650.47 million compared to the Fiscal 2012 Adopted Budget. This includes an additional 210 full-time uniform positions and a decrease of full-time civilian headcount of 48.

**Collection & Street Cleaning – General.** This budget line increased by \$25.46 million, or 14.3 percent, to 203.94 million. This reflects a \$12 million increase to more accurately reflect actual salary costs, Program to Eliminate the Gap (PEG) Reversals made during the Fiscal 2012 November Plan which added \$19.76 million, and new PEGs equaling \$5.31 million in savings. The PEG Reversals added 240 full-time uniform positions. Existing vacancies for 33 full-time civilian positions were cut due to the ongoing civilian hiring freeze.

**Collection & Street Cleaning – Lot Cleaning.** The Fiscal 2013 Executive Budget of \$15.03 million is a decrease of \$1.63 million, or 9.8 percent, from the Fiscal 2012 Adopted Budget and included the cutting of 24 full-time uniformed positions and 14 full-time civilian positions that had been vacant. This reflects a citywide cut to HUD-funded Community Development Block Grants (CDBG) but the Department does not anticipate an operational impact on the cleaning of empty lots since the cuts were to existing vacancies.

**Engineering.** The Fiscal 2013 Executive Budget of \$5.83 million increased by \$384,000 despite a reduction of 32 full-time civilian positions. The reduced headcount includes 17 positions that were switched from being paid for with capital funding via an Inter-Fund Agreement (IFA) to tax-levy funding. There is a corresponding increase of 17 positions in other program areas due to the funding change and reallocation of those positions. There are 6 layoffs planned as part of the headcount reduction, and 9 vacant positions were eliminated. The increase in the full-time civilian salary line reflects a calculation error that will be corrected with a technical adjustment made at a later date.

**General Administration.** This program area supports all administrative and strategic planning aspects of the Department that cannot be directly linked to specific program areas. The General Administration budget of \$106.7 million decreased by \$1.58 million, or 1.5 percent, since Adoption.

This reflects \$4.17 million in cuts to 13 full-time civilian positions vacant due to the civilian hiring freeze, partially offset by \$281,000 for the increase of 8 full-time uniform positions for in-house Sanitation Management Analysis Resource Tracking (SMART)/ Global Positioning System (GPS) management. The cuts are further offset by an increase in OTPS funding of approximately \$879,000 due to GPS costs for non-snow season months that were baselined, \$710,000 in lease adjustments, and a \$303,000 fuel adjustment, and a \$445,000 roll from Fiscal 2012 to 2013 for Hepatitis B Vaccine for sanitation workers.

**Long-term Export.** The Long Term Solid Waste Management team is responsible for the implementation of the Solid Waste Management Plan including the development of the infrastructure necessary for long-term waste and recyclables export. The plan is centered on reducing truck-miles driven and maximizing containerized export via barge or rail. Long-term contracts with vendors to export waste are managed, as well as interim short-term contracts. Goals also include seeking environmentally sound approaches to waste management and increasing flexibility to help manage costs.

The Fiscal 2013 Executive Budget decreased by \$1.59 million, or 47.3% to \$1.77 million due to consultant and legal services related to the Solid Waste Management Plan that are no longer needed in Fiscal 2013 onwards.

**Snow Removal.** This program includes funding for the Department's citywide snow removal program. The budget is based on the previous five-year spending average as required by the City Charter.

An unusually mild winter snow season led to a surplus of \$12.8 million in the Fiscal 2012 snow budget, or a reduction of 29.9 percent. Originally budgeted at \$42.83 million, \$30.03 million was spent. Despite few snow storms, salt and vehicle purchase and maintenance was still required to ensure the City was prepared.

The Fiscal 2013 snow budget increases \$17.08 million, or 39.9%, since Fiscal 2012 Adoption. Fiscal 2013 is the first fiscal year that the cost of the record-breaking Fiscal 2011 winter is being added to the five-year average. The rise reflects a \$10.34 million increase to uniformed overtime and a \$6.72 million increase for supplies and materials.

**Support Operations – Motor Equipment.** The Bureau of Motor Equipment manages the acquisition, repair and continued maintenance of DSNY's equipment. There is a network of repair and maintenance facilities that service the collection trucks, street sweepers, salt spreaders, snow melters, front-end loaders, and other vehicles.

The Bureau's budget increases by \$1.93 million, or 2.1 percent, to \$81 million largely due to an agency restoration of \$1.37 million after a one-year civilian hiring freeze, full-time civilian salaries for four mechanics and \$184,000 in supplies and materials due to the PEG reversals in the Fiscal 2012 November Plan.

**Waste Disposal.** The Bureau of Waste Disposal (BWD) manages the waste export contracts for roughly 11,000 tons of waste per day. This includes receiving, transferring, transporting, and disposing of the waste. The BWD also manages the closure of the Fresh Kills Landfill including its capping, methane gas flaring, leachate control, security and environmental monitoring.

**Waste Disposal – General.** The \$1.06 million increase of 8.3 percent to \$13.75 million in the general waste disposal budget is largely due to \$1.29 million increase in contractual services including \$700,000 that was rolled from Fiscal 2012 for Brooklyn Navy Yard Environmental Cleanup, \$194,000 that was a reversal of a Marine Transfer Station PEG, and \$400,000 for an internal transfer from the other services and charges line.

**Waste Disposal – Landfill Closure.** The Fiscal 2013 Executive Budget includes \$32.13 million in this program area, a cut of \$2.2 million, or 6.4 percent. This is due to a revised construction cash flow model for the closure of the Fresh Kills Landfill that applies to Fiscal 2012 onwards.

**Waste Export.** This program area represents the actual costs of the waste export contracts. The Fiscal 2013 Executive Budget is \$309.48 million, which is a \$4.88 million increase, or 1.6%, from Fiscal 2012 Adopted Budget due to the rising interim contractual cost per ton to export waste.

**Waste Prevention, Reuse and Recycling.** The Bureau of Waste Prevention, Reuse, and Recycling focuses on increasing the recycling diversion rate to minimize the solid waste that must be disposed of.

The Fiscal 2013 Executive Budget of \$36.32 million is an increase of \$8.81 million, or 32 percent, from the Fiscal 2012 Adopted Budget of \$27.52 million. The increase is due to a roll of a Federal grant of \$4.73 million from Fiscal 2012 to Fiscal 2013; a one-year cut to outreach and education in Fiscal 2012 that was added back at the same level of \$2.5 million in to the Fiscal 2013 Preliminary Budget; \$871,000 for GrowNYC for an increased number of Stop and Swap events as well as the expansion of food scrap and textile collection to new green market locations; \$512,000 to expand the Recycling Champions Program; and the \$200,000 salary for the new Deputy Commissioner for Sustainability.

## Fiscal 2013 Executive Budget Actions

In June 2011, DSNY's projected Fiscal 2013 Budget of \$1.34 billion was \$37.18 million more than the Adopted Fiscal 2012 Budget of \$1.3 billion. Since Fiscal 2012 Adoption several budget actions have increased the Fiscal 2013 Budget by \$13.97 million to \$1.35 billion. These changes include Programs to Eliminate the Gap (PEGs) totaling \$51.05 million, new needs of \$38.43 million, other adjustments of \$6.83 million, and PEG Restorations and Substitutions (PRS) of \$19.76 million. Combined, the above actions reconcile the agency to its current budget of \$1.34 billion for Fiscal 2013. (See Appendix A for a list of all the changes to the Fiscal 2012 and 2013 Budgets from Adoption through the Preliminary Plan.) Highlights of the Fiscal 2013 Executive Budget are below.

| <i>Dollars in Thousands</i>                   | FY 2012            |                 |                    | FY 2013            |                  |                    |
|-----------------------------------------------|--------------------|-----------------|--------------------|--------------------|------------------|--------------------|
|                                               | City               | Non-City        | Total              | City               | Non-City         | Total              |
| <b>DSNY Budget as of February 2012 Plan</b>   | <b>\$1,299,268</b> | <b>\$34,737</b> | <b>\$1,334,005</b> | <b>\$1,317,306</b> | <b>\$26,467</b>  | <b>\$1,343,773</b> |
| <b>New Needs</b>                              |                    |                 |                    |                    |                  |                    |
| Deputy Commissioner for Sustainability        | \$0                | \$0             | \$0                | \$200              | \$0              | \$200              |
| FY 2012 PS Surplus                            | (9,000)            | 0               | (9,000)            | 0                  | 0                | 0                  |
| FY 2012 Snow Surplus                          | (12,800)           | 0               | (12,800)           | 0                  | 0                | 0                  |
| GPS Phone Management/ Smart Lab Staffing      | 0                  | 0               | 0                  | 1,739              | 0                | 1,739              |
| GrowNYC Program Expansion                     | 0                  | 0               | 0                  | 871                | 0                | 871                |
| Recycling Champions Program                   | 0                  | 0               | 0                  | 512                | 0                | 512                |
| SMART Implementation Management               | 0                  | 0               | 0                  | 318                | 0                | 318                |
| <b>TOTAL, New Needs</b>                       | <b>(\$21,800)</b>  | <b>\$0</b>      | <b>(\$21,800)</b>  | <b>\$3,641</b>     | <b>\$0</b>       | <b>\$3,641</b>     |
| <b>Other Adjustments</b>                      |                    |                 |                    |                    |                  |                    |
| Various Citywide Revenue Including Fuel       | \$0                | \$132           | \$132              | \$0                | \$0              | \$0                |
| 3rd Qtr. Various Citywide Expenses            | 0                  | 71              | 71                 |                    | 0                | 0                  |
| Appropriate Funding                           | 0                  | 13              | 13                 | 0                  | 0                | 0                  |
| Brooklyn Navy Yard Remediation                | (700)              | 0               | (700)              | 700                | 0                | 700                |
| Conversion of IFA Heads to City Funds         | 0                  | 0               | 0                  | 1,426              | (1,426)          | 0                  |
| Eliminate IFA Vacancies                       | 0                  | (1,400)         | (1,400)            | 0                  | (1,400)          | (1,400)            |
| FEMA Reimbursement - Hurricane Irene          | 0                  | 54              | 54                 | 0                  | 0                | 0                  |
| Fuel                                          | (1,034)            | 0               | (1,034)            | 303                | 0                | 303                |
| Executives Training - Harvard Tuition         | 0                  | 23              | 23                 | 0                  | 0                | 0                  |
| Federal Grant                                 | 0                  | 469             | 469                | 0                  | 0                | 0                  |
| Gasoline                                      | (5,735)            | 0               | (5,735)            | (378)              | 0                | (378)              |
| Heat, Light and Power                         | (4,525)            | 0               | (4,525)            | (458)              | 0                | (458)              |
| Hepatitis B Vaccine for Sanitation Workers    | (445)              | 0               | (445)              | 445                | 0                | 445                |
| Konica Minolta/Accenture Fee Transfer to DCAS | (2)                | 0               | (2)                | 0                  | 0                | 0                  |
| Lease Adjustment                              | 0                  | 0               | 0                  | 710                | 0                | 710                |
| Paper Savings PEG Adjustment                  | (9)                | 0               | (9)                | (9)                | 0                | (9)                |
| PlaNYC: DSNY Outreach Program                 | 0                  | 50              | 50                 | 0                  | 0                | 0                  |
| Recycling Outreach Communications             | (4,725)            | 0               | (4,725)            | 4,725              | 0                | 4,725              |
| Security PEG Adjustment                       | (28)               | 0               | (28)               | (21)               | 0                | (21)               |
| <b>TOTAL, Other Adjustments</b>               | <b>(\$17,203)</b>  | <b>(\$588)</b>  | <b>(\$17,791)</b>  | <b>\$7,442</b>     | <b>(\$2,826)</b> | <b>\$4,616</b>     |
| <b>TOTAL, All Changes</b>                     | <b>(\$39,003)</b>  | <b>(\$588)</b>  | <b>(\$39,591)</b>  | <b>\$11,083</b>    | <b>(\$2,826)</b> | <b>\$8,257</b>     |
| <b>DSNY Budget as of May 2012 Plan</b>        | <b>\$1,260,265</b> | <b>\$34,149</b> | <b>\$1,294,414</b> | <b>\$1,328,389</b> | <b>\$23,641</b>  | <b>\$1,352,030</b> |

## Programs to Eliminate the Gap (PEGs)

- ☑ **Institutional Fee.** In its Fiscal 2012 Executive Budget DSNY proposed a new fee for non-residential solid waste collection and disposal to universities, religious institutions, and not-for-profits. Recurring revenue of \$17.2 million was anticipated for Fiscal 2013 onwards.

The Fiscal 2013 Preliminary Budget included \$522,000 for a survey of institutions being serviced to determine how much refuse is being generated and how much of that refuse is being diverted to recycling. Department staff concurrently conducted field surveys to gather the same information. The survey was completed in April but Council Members have yet to be briefed on the results.

Implementing this fee would likely require both legislation and a rules change. If the fee was established institutions could choose between the Department or a private carter for its carting needs. Private carters' rates are set by the NYC Business Integrity Commission (BIC). The maximum rate that DSNY could charge would likely be determined by local law.

- ☑ **Fiscal 2012 Personal Services Surplus.** The Fiscal 2012 PS surplus of \$9 million is due to additional savings realized from the civilian hiring freeze, and being under budget in uniform headcount.

## Other Adjustments

- ☑ **Gasoline.** There were savings of \$5.74 million in gasoline for Fiscal 2012 due to the mild winter snow season.
- ☑ **Heat, Light and Power.** There were savings of \$4.53 million in Fiscal 2012 in heat, light and power due to the mild winter snow season.

## Department of Sanitation Capital Budget Summary

The May 2012 Capital Commitment Plan includes \$1.31 billion in Fiscal 2012-2016 for the Department of Sanitation (including City and Non-City funds). This represents 3.3 percent of the City's total \$39.52 billion Executive Plan for Fiscal 2012-2016. The agency's Executive Commitment Plan for Fiscal 2012-2016 is 7.8 percent more than the \$1.22 billion scheduled in the Preliminary Commitment Plan, an increase of \$95 million.

The majority of capital projects span multiple fiscal years and it is common practice for an agency to roll unspent capital funds from the current fiscal year into future fiscal years. In Fiscal Year 2011 the Department of Sanitation committed \$319.9 million or 38.1 percent of its annual capital plan. Therefore, it is assumed that a significant portion of the agency's Fiscal 2012 Capital Plan will be rolled into Fiscal 2013, thus increasing the size of the Fiscal 2013-2016 Capital Plan. Since the Preliminary Budget was released in February the City-wide Capital Commitment Plan for Fiscal 2013 has increased from \$8.69 billion to \$10.82 billion, an increase of \$2.13 billion or 24.6 percent.

### DSNY 2012-2016 Commitment Plan: Preliminary and Executive Budget

*Dollars in Thousands*

|                    | FY12        | FY13      | FY14     | FY15      | FY16      | Total              |
|--------------------|-------------|-----------|----------|-----------|-----------|--------------------|
| <b>Preliminary</b> |             |           |          |           |           |                    |
| Total Capital Plan | \$659,569   | \$239,552 | \$78,628 | \$133,092 | \$104,510 | <b>\$1,215,351</b> |
| <b>Executive</b>   |             |           |          |           |           |                    |
| Total Capital Plan | \$285,079   | \$709,042 | \$78,628 | \$133,092 | \$104,510 | <b>\$1,310,351</b> |
| <b>Change</b>      |             |           |          |           |           |                    |
| Level              | (\$374,490) | \$469,490 | \$0      | \$0       | \$0       | <b>\$95,000</b>    |
| Percentage         | -56.78%     | 195.99%   | 0.00%    | 0.00%     | 0.00%     | <b>7.82%</b>       |

### Capital Program Overview

The Department's capital program supports construction of Marine Transfer Stations required as part of the 2006 Solid Waste Management Plan (SWMP), the ongoing construction of the South Brooklyn Marine Terminal Recyclables Processing Facility, and the construction and upkeep of Sanitation Garages and facilities throughout the five boroughs. The capital program also supports the purchase and upkeep of equipment for garbage and recycling pickup and snow removal. DSNY is also currently going through a large information technology and telecommunications upgrade.

The Department's capital priority is on meeting the required export infrastructure requirements of the SWMP, none of which could be removed without requiring a new Solid Waste Management Plan. A legal settlement requiring temporary garages located on the Gansevoort Peninsula to be moved out of the Hudson River Park as per state law led to the construction of a new Manhattan 1/2/5 Garage. Due to the size of the Department's Capital Budget no other garages are currently being considered for construction.

## Major Capital Projects

- **Marine Transfer Stations (MTS).** The Executive Capital Commitment Plan includes \$485.4 million in Fiscal 2012-2016 for the construction and reconstruction of MTSs that are a critical component of the 2006 SWMP.

MTSs at Hamilton Avenue in Brooklyn and North Shore Queens are currently under construction and are anticipated to be completed in late 2013 and mid 2013 respectively. The anticipated full cost of the Hamilton Avenue MTS is \$171 million and for the North Shore MTS is \$191.9 million.

The East 91<sup>st</sup> Street MTS has \$226.6 million budgeted for construction, an increase of \$101.2 million from the Preliminary Capital Commitment Plan. A Request for Proposals (RFP) for construction bids was issued in January 2012 and responses are due in June 2012. Construction is expected to begin in the fall of 2012, pending an Army Corps of Engineers permit. The City prevailed against parkland alienation and SEQRA challenges, and a challenge to the New York State Department of Environmental Conservation (DEC) permit was also dismissed, in favor of DEC and the Department.

The Southwest Brooklyn MTS has \$108.5 million allotted to it in Fiscal 2013 rolled from Fiscal 2012, although a value engineering process is currently underway. Construction is scheduled to begin in 2013, although permits are still needed from DEC and the Army Corps of Engineers. Construction contracts still need to be bid out as well, which makes the projected start-date challenging to meet. The East 91<sup>st</sup> Street MTS is scheduled to come online sometime in 2016, and the Southwest Brooklyn MTS is scheduled to come on-line sometime in 2017.

The Gansevoort MTS for recyclables has \$78.2 million allocated to it in Fiscal 2013. An RFP for the design of the demolition of the current structure is anticipated to be awarded by the end of the current calendar year. It is hoped that construction of the new facility could begin sometime in 2013, however a Memorandum of Understanding between the City and State needs to be signed before the project moves further, as required by the amended Hudson River Park Act. The West 59<sup>th</sup> Street MTS refurbishment has \$60.4 million apportioned to it in the Executive Capital Budget. The use of this facility to transfer Manhattan commercial waste is contingent on the current operation of transferring recyclables moving to Gansevoort.

- **Manhattan 1/2/5 Garage.** The project management for the Manhattan 1/2/5 Garage was transferred to the NYC Department of Design and Construction. The Executive Capital Commitment Plan includes \$36.7 million for the construction of the Manhattan 1/2/5 Garage in Fiscal 2013. Construction is approximately 35% complete.
- **South Brooklyn Marine Terminal Recyclables Processing Facility.** The Sims Recycling Center being constructed at the 30<sup>th</sup> Street Pier at the South Brooklyn Marine Terminal is set to be completed by the end of Fiscal 2013. This is an EDC-managed project which is anticipated to need an additional \$18 million in Fiscal 2012. A modified funding agreement is currently being negotiated. The total cost of the project is now anticipated to be approximately \$67 million.
- **Manhattan 4/4A/7 Garage.** The construction of the 4/4A/7 garage is nearing completion. This facility was constructed in two stages. The first, housing the District 7 Garage was completed in Fiscal 2012, while the second, which will contain the garages for Districts 4 and 4A, is anticipated to be completed later this year. There have been significant delays as

completion was originally anticipated in Fiscal 2008. The Fiscal 2013 Executive Capital Commitment Plan contains \$1.1 million for the project.

- **Garages Miscellaneous.** No new construction is planned for future garages at this time due to fiscal constraints. However \$4 million of Fiscal 2012 contingency funding rolled to Fiscal 2013 out of \$4.15 million for the Brooklyn 3 Garage. Brooklyn 13/15 has \$15 million in contingency funding that was rolled from Fiscal 2012 to Fiscal 2013. Manhattan 6/8/8A has \$6.1 million out of 10.2 million in contingency funding being rolled from Fiscal 2012 to 2013.

## Appendix 1: Budget Actions in the November & February Plans

| <i>Dollars in Thousands</i>                                     | FY 2012            |                 |                    | FY 2013            |                 |                    |
|-----------------------------------------------------------------|--------------------|-----------------|--------------------|--------------------|-----------------|--------------------|
|                                                                 | City               | Non-City        | Total              | City               | Non-City        | Total              |
| <b>Agency Budget as of June 2011 Plan</b>                       | <b>\$1,272,483</b> | <b>\$28,398</b> | <b>\$1,300,881</b> | <b>\$1,311,288</b> | <b>\$26,774</b> | <b>\$1,338,062</b> |
| <b>Program to Eliminate the Gap (PEGs)</b>                      |                    |                 |                    |                    |                 |                    |
| Civilian Hiring Freeze                                          | \$0                | \$0             | \$0                | (\$5,098)          | \$0             | (\$5,098)          |
| Marine Transfer Station (MTS) Staffing                          | 0                  | 0               | 0                  | (16,336)           | 0               | (16,336)           |
| NYSDEC Recycling Grant                                          | (4,723)            | 4,723           | 0                  | 0                  | 0               | 0                  |
| Uniform Officer Reduction                                       | (888)              | 0               | (888)              | (895)              | 0               | (895)              |
| Waste Export Surplus                                            | (1,966)            | 0               | (1,966)            | (28,717)           | 0               | (28,717)           |
| <b>TOTAL, PEGs</b>                                              | <b>(\$7,578)</b>   | <b>\$4,723</b>  | <b>(\$2,855)</b>   | <b>(\$51,046)</b>  | <b>\$0</b>      | <b>(\$51,046)</b>  |
| <b>New Needs</b>                                                |                    |                 |                    |                    |                 |                    |
| BK navy Yard Environmental Clean-up                             | \$1,983            | \$0             | \$1,983            | \$0                | \$0             | \$0                |
| Bureau of Waste Prevention, Reuse, and Recycling Communications | 4,725              | 0               | 4,725              | 0                  | 0               | 0                  |
| Info Technology                                                 | 1,200              | 0               | 1,200              | 1,200              | 0               | 1,200              |
| Institutional Fee Program                                       | 522                | 0               | 522                | 0                  | 0               | 0                  |
| Uniform Salaries                                                | 12,000             | 0               | 12,000             | 12,000             | 0               | 12,000             |
| Implementation of Non-Residential PEG                           | 215                | 0               | 215                | 21,584             | 0               | 21,584             |
| <b>TOTAL, New Needs</b>                                         | <b>\$20,644</b>    | <b>\$0</b>      | <b>\$20,644</b>    | <b>\$34,784</b>    | <b>\$0</b>      | <b>\$34,784</b>    |
| <b>Other Adjustments</b>                                        |                    |                 |                    |                    |                 |                    |
| Misc Fuel Adjustments                                           | \$0                | \$753           | \$753              | \$0                | \$93            | \$93               |
| Misc Revenue                                                    | 0                  | 194             | 194                | 0                  | 0               | 0                  |
| Federal Grant Rollover                                          | 0                  | 85              | 85                 | 0                  | 0               | 0                  |
| CitiServ Shared Services                                        | (20)               | 0               | (20)               | (40)               | 0               | (40)               |
| PEG Fringe Adjustments                                          | 135                | 0               | 135                | 6,445              | 0               | 6,446              |
| Various Intra-City Adjustments                                  | 2                  | 300             | 303                | 0                  | 0               | 0                  |
| PEG Reversal Fringe Adjustments                                 | (3,206)            | 0               | (3,206)            | (3,993)            | 0               | (3,993)            |
| Graffiti Program - Manhattan                                    | (276)              | 0               | (276)              | (276)              | 0               | (276)              |
| IFA Technical Adjustments                                       | 0                  | (200)           | (200)              | 0                  | (400)           | (400)              |
| Federal Grant Transfer from DOT                                 | 0                  | 166             | 166                | 0                  | 0               | 0                  |
| PlaNYC: DSNY Clean Fleet                                        | 0                  | 55              | 55                 | 0                  | 0               | 0                  |
| Civilian Collective Bargaining Adjustment                       | 13                 | 0               | 13                 | 13                 | 0               | 13                 |
| Schedule Street Fair Revenue                                    | 0                  | 253             | 253                | 0                  | 0               | 0                  |
| Technical Adjustment MTS PEG                                    | 194                | 0               | 194                | 194                | 0               | 194                |
| Training                                                        | 0                  | 10              | 10                 | 0                  | 0               | 0                  |
| Uniform Collective Bargaining Adjustment                        | 177                | 0               | 177                | 177                | 0               | 177                |
| <b>TOTAL, Other Adjustments</b>                                 | <b>(\$2,981)</b>   | <b>\$1,616</b>  | <b>(\$1,364)</b>   | <b>\$2,520</b>     | <b>(\$307)</b>  | <b>\$2,214</b>     |
| <b>PEG Restorations and Substitutions (PRS)</b>                 |                    |                 |                    |                    |                 |                    |
| Flat Refuse Truck Target                                        | \$2,491            | \$0             | \$2,491            | \$5,016            | \$0             | \$5,016            |
| One Person EZ-Pack                                              | 1,665              | 0               | 1,665              | 1,806              | 0               | 1,806              |

| <i>Dollars in Thousands</i>                   | FY 2012            |                 |                    | FY 2013            |                 |                    |
|-----------------------------------------------|--------------------|-----------------|--------------------|--------------------|-----------------|--------------------|
|                                               | City               | Non-City        | Total              | City               | Non-City        | Total              |
| Refuse and Recycling Collection Efficiencies  | \$7,903            | \$0             | \$7,903            | \$8,296            | \$0             | \$8,296            |
| Sunday Security                               | 4,641              | 0               | 4,641              | 4,641              | 0               | 4,641              |
| <b>TOTAL, PRS</b>                             | <b>\$16,700</b>    | <b>\$0</b>      | <b>\$16,700</b>    | <b>\$19,760</b>    | <b>\$0</b>      | <b>\$19,760</b>    |
| <b>TOTAL, All Changes</b>                     | <b>\$26,785</b>    | <b>\$6,339</b>  | <b>\$33,125</b>    | <b>\$6,018</b>     | <b>(\$307)</b>  | <b>\$5,712</b>     |
| <b>Agency Budget as of February 2012 Plan</b> | <b>\$1,299,268</b> | <b>\$34,737</b> | <b>\$1,334,005</b> | <b>\$1,317,306</b> | <b>\$26,467</b> | <b>\$1,343,773</b> |

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## Appendix 2: Reconciliation of Program Areas to Units of Appropriation

| <i>Dollars in Thousands</i>                | Personal Services |                  |                 |                 |                 |                 | Other Than Personal Services |                 |                  |                |                 |                 | Grand Total        |
|--------------------------------------------|-------------------|------------------|-----------------|-----------------|-----------------|-----------------|------------------------------|-----------------|------------------|----------------|-----------------|-----------------|--------------------|
|                                            | 101               | 102              | 103             | 104             | 105             | 107             | 106                          | 109             | 110              | 111            | 112             | 113             |                    |
| Civilian Enforcement - Bronx               | \$827             | \$0              | \$0             | \$0             | \$0             | \$0             | \$0                          | \$0             | \$0              | \$0            | \$0             | \$0             | \$827              |
| Civilian Enforcement - Brooklyn            | 1,290             | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 1,290              |
| Civilian Enforcement - Manhattan           | 840               | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 840                |
| Civilian Enforcement - Queens              | 988               | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 988                |
| Civilian Enforcement - Staten Island       | 107               | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 107                |
| Collection & Street Cleaning-Bronx         | 0                 | 57,345           | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 57,345             |
| Collection & Street Cleaning-Brooklyn      | 0                 | 132,442          | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 132,442            |
| Collection & Street Cleaning-General       | 0                 | 195,657          | 0               | 0               | 0               | 0               | 0                            | 8,284           | 0                | 0              | 0               | 0               | 203,942            |
| Collection & Street Cleaning-Lot Cleaning  | 12,597            | 0                | 0               | 0               | 0               | 0               | 2,428                        | 0               | 0                | 0              | 0               | 0               | 15,025             |
| Collection & Street Cleaning-Manhattan     | 0                 | 78,168           | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 78,168             |
| Collection & Street Cleaning-Queens        | 0                 | 126,115          | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 126,115            |
| Collection & Street Cleaning-Staten Island | 0                 | 37,433           | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 37,433             |
| Enforcement - General                      | 16,107            | 0                | 0               | 0               | 0               | 0               | 1,210                        | 0               | 0                | 0              | 0               | 0               | 17,317             |
| Engineering                                | 5,060             | 0                | 0               | 0               | 0               | 0               | 772                          | 0               | 0                | 0              | 0               | 0               | 5,832              |
| General Administration                     | 17,076            | 0                | 0               | 0               | 0               | 0               | 89,625                       | 0               | 0                | 0              | 0               | 0               | 106,701            |
| Legal Services                             | 3,780             | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 3,780              |
| Long Term Export                           | 1,191             | 0                | 0               | 0               | 0               | 0               | 575                          | 0               | 0                | 0              | 0               | 0               | 1,765              |
| Public Information                         | 2,053             | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 2,053              |
| Snow Removal                               | 0                 | 0                | 0               | 0               | 0               | 35,574          | 0                            | 0               | 0                | 0              | 0               | 24,331          | 59,905             |
| Solid Waste Transfer Stations              | 0                 | 0                | 8,281           | 0               | 0               | 0               | 0                            | 0               | 0                | 0              | 0               | 0               | 8,281              |
| Support Operations - Motor Equipment       | 0                 | 0                | 0               | 0               | 58,609          | 0               | 0                            | 0               | 0                | 0              | 22,397          | 0               | 81,006             |
| Support Operations-Building Management     | 0                 | 0                | 0               | 16,537          | 0               | 0               | 0                            | 0               | 0                | 2,643          | 0               | 0               | 19,180             |
| Waste Disposal - General                   | 0                 | 0                | 9,866           | 0               | 0               | 0               | 0                            | 0               | 3,888            | 0              | 0               | 0               | 13,753             |
| Waste Disposal - Landfill Closure          | 0                 | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 32,130           | 0              | 0               | 0               | 32,130             |
| Waste Export                               | 0                 | 0                | 0               | 0               | 0               | 0               | 0                            | 0               | 309,482          | 0              | 0               | 0               | 309,482            |
| Waste Prevention, Reuse, and Recycling     | 0                 | 2,167            | 0               | 0               | 0               | 0               | 0                            | 34,157          | 0                | 0              | 0               | 0               | 36,324             |
| <b>Grand Total</b>                         | <b>\$61,916</b>   | <b>\$629,327</b> | <b>\$18,146</b> | <b>\$16,537</b> | <b>\$58,609</b> | <b>\$35,574</b> | <b>\$94,609</b>              | <b>\$42,442</b> | <b>\$345,499</b> | <b>\$2,643</b> | <b>\$22,397</b> | <b>\$24,331</b> | <b>\$1,352,030</b> |