

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON SANITATION AND SOLID WASTE MANAGEMENT

----- X

November 22, 2013
Start: 10:10 a.m.
Recess: 12:43 p.m.

HELD AT: 250 Broadway - Committee Rm,
16th Fl.

B E F O R E:
LETITIA JAMES
Chairperson

COUNCIL MEMBERS:
Maria del Carmen Arroyo
Robert Jackson

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

Elizabeth Balkan
Senior Policy Advisor
Mayor's Office of Long-Term Planning and
Sustainability

Ron Gonen
Deputy Commissioner for Sustainability &
Recycling
Mayor's Office of Long-Term Planning and
Sustainability

Enforcement Unit
Department of Sanitation New York

James Versocki
Counsel
New York State Restaurant Association

Pablo Zangerle
TLM Associates
Representing Action Environmental Services

David Biderman
General Counsel
National Waste and Recycling Association

Jay Peltz
Vice President of Public Affairs
Food Industry Alliance of New York State

Ken Diamondstone
Brooklyn Solid Waste Advisory Board

Laura Rosenshine
Manhattan Solid Waste Advisory Board

Ozgem Ornektekin
Director
Office of Sustainability
New York University

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

Vandra Thorburn
Founder & President
Vokashi Kitchen Waste Solutions

Paul Sellew
Founder, Chairman, CEO
Harvest Power

Christina Grace
New Territories

Dianne Pisarek
Principal
Evo Market Solutions

Jim Slanina
President
EnviroPure Systems

Mike Manna
Representing United States Composting
Council
Managing Director
Organic Recycling Solutions

Wayne Davis
Chairman of the Board of Directors
American Biogas Council

Mary Cleaver
Founder & Owner
The Cleaver Company

Matt de la Houssaye
Director
Global Green's Coalition for Resource
Recovery

Eric Goldstein
National Resources Council

2 CHAIRPERSON JAMES: ...City Council's
3 Committee on Sanitation and Solid Waste Management.
4 My name is Letitia James and I'm Chair of this
5 committee and today we will be hearing two bills,
6 Int. No. 1162 and Preconsidered Int. No. 1140-A.

7 Int. No. 1162, which is sponsored by
8 myself and introduced by the request of the Mayor,
9 would establish a commercial composting program for
10 restaurants and other food service establishments in
11 the City.

12 In my years as chair of this committee I
13 have heard several different advocates characterize
14 food waste composting as the holy grail of
15 sustainable sanitation policy. I am happy to say
16 that this bill represents an important and meaningful
17 step in that quest.

18 New York City generates roughly 35,000
19 tons of commercial waste per day. Organic waste
20 makes up about 30 percent of that commercial waste
21 stream. At this time, practically none of that
22 organic waste is composted and is instead sent to
23 landfills or incinerators.

24 Over the years progress in composting our
25 waste has been limited by the lack of composting

2 facilities in and around New York City and yet, if we
3 talk to companies and organizations interested in
4 composting in New York the common refrain is that
5 they cannot develop facilities without a firm
6 commitment of source separated organic material. One
7 of the significant benefits of Int. No. 1162 is that
8 it begins to address this chicken and egg problem by
9 making future commitments to compost and clearly
10 identifying the businesses and entities that will
11 participate. We provide clarity to the market and
12 invite businesses to begin to take steps forward
13 together with the City.

14 Int. 1162 would require food service
15 establishments of a certain size or number to begin
16 source separating organic waste and to arrange for
17 the composting of that waste. The requirement would
18 go into effect on July 1st, 2015, but would require
19 the Department of Sanitation commissioner the
20 authority to delay the requirement for up to three
21 years to ensure that it does not go into effect
22 before there is sufficient composting capacity
23 available.

24 In the weeks leading up to this hearing
25 my staff and I have been meeting about this

2 legislation with stakeholders, along with
3 representatives of the Mayor's office. Based on
4 these conversations I understand that the bill in its
5 current form needs further input from those that it
6 will impact. At the same time, I believe that this
7 committee and the Mayor's office are willing to work
8 hard to get this bill to a place where it works and
9 hopefully before I leave the City Council, which is
10 in 42 days? [background comment] After all, we all
11 benefit most by passing a bill that lays the
12 groundwork for a strong and lasting composting system
13 in New York City for years to come; without
14 everyone's input that is simply not possible.

15 And let me might add that as the next
16 public advocate on January 1st, we will continue in
17 this regard on a wide range of issues related to the
18 sustainability of New York City.

19 With that in mind, I urge those of you
20 who wish to testify to focus on how to improve this
21 bill and make it a reality. Before I move on I'd
22 like to take a moment to thank the Department of
23 Sanitation and the Mayor's Office of Long-Term
24 Planning for your hard work and ingenuity on this
25 bill. We are happy to be working with you on such an

2 important issue and working with you in the past on
3 other important matters that affect the residents of
4 the City of New York.

5 Let me briefly turn to proposed Int. No.
6 1140-A, which is introduced by my colleague and the
7 next Borough President of Staten Island, Mr. James
8 Oddo, and this bill will fix a minor shortcoming of
9 the City's illegal posting law. In most

10 neighborhoods through the City, signs and other
11 written material are prohibited from being posted
12 upon city property, such as sidewalks, telephone
13 poles and sign posts, but our illegal posting law
14 does not address circumstances that occur in a
15 smaller portion of neighborhoods where the city
16 property in question that abuts a street is grass
17 rather than a sidewalk. Up to now the Department of
18 Sanitation enforcement was prevented from issuing
19 tickets for signs posted on that city property.

20 Proposed Int. No. 1140-A will make this minor fix.
21 We will devote most of our time at today's hearing to
22 1162, but I will take a brief moment to ask the
23 Department of Sanitation a few questions about Int.
24 1140-A, particularly in the absence of Council Member
25 Oddo, who unfortunately had a conflict in his

2 schedule and wanted me to ask some questions and
3 we'll do that after we conclude our questions about
4 composting.

5 Without anything further, I'd like to
6 turn at this point in time the floor over to the
7 administration to provide testimony. You may begin.

8 ELIZABETH BALKAN: Thank you. Good
9 morning Chairwoman James and members of the Committee
10 on Sanitation and Solid Waste Management. I am
11 Elizabeth Balkan, Senior Policy Advisor for the
12 Mayor's Office of Long-Term Planning and
13 Sustainability. I'm here today with Ron Gonen,
14 Deputy Commissioner for Sustainability and Recycling
15 from the Department of Sanitation. We are pleased to
16 have the opportunity to testify today in support of
17 Int. 1162.

18 This important legislation will advance
19 the PlaNYC goal of diverting 75 percent of the City's
20 solid waste from landfills by 2030 by focusing on a
21 key source, organic waste generated by the largest
22 businesses in the food industry. Although the ban
23 will affect fewer than 5 percent of businesses in the
24 food industry and less than half of a percent of
25 businesses citywide, it will capture over 30 percent

2 of all commercial organic waste. As such, the bill
3 strikes the right balance between achieving scale in
4 the marketplace for organic waste while focusing on
5 businesses that are best able to comply and in many
6 cases is already doing so voluntarily.

7 Before I get into my testimony I would
8 like to thank the Solid Waste and Sanitation
9 Committee for its continued leadership and helping to
10 improve solid waste management in the City. The
11 Committee has advanced a number of critical
12 legislative initiatives over the past seven years,
13 including Int. 894 on the recovery of refrigerants
14 from appliances; Int. 148, expanding acceptable
15 recyclables to include all rigid plastics; Int. 158
16 regarding public space recycling and a citywide
17 textile reuse and recycling program; and Int. 728 and
18 729 on important standards for the recycling, reuse
19 and safe handling of electronic waste.

20 I want to especially acknowledge the City
21 Council's September passage of Int. 1107 on
22 residential collection of compostable waste, which
23 creates a strong foundation for similar progress in
24 the commercial sector.

2 This morning I will begin my testimony by
3 describing the context for this bill as it relates to
4 the solid waste goals of PlaNYC, the City's Long-Term
5 Sustainability Plan. I'll then briefly report the
6 progress that we have made towards these goals and
7 discuss the role of organic waste in that long-term
8 success. Next I'll describe what the City has
9 learned from working with leading restaurants, hotels
10 and stadiums that are already successfully recycling
11 their food waste on a voluntary basis. And finally,
12 I will turn to the structure and goals of the
13 legislation and describe the grounds for the
14 administration's support.

15 Through PlaNYC, the City has committed to
16 a 2030 goal of diverting 75 percent of solid waste
17 from landfills, as well as the short-term goal of
18 doubling the recycling rate to 30 percent by 2017.

19 Greenhouse gas emissions from our solid
20 waste amount to more than 2.1 million metric tons per
21 year. The methane-generating decomposition of this
22 waste, which mostly comes from organic waste, is at
23 least 21 times more harmful to the environment than
24 carbon dioxide. In addition to these environmental
25 impacts, the landfilling of solid waste costs New

2 York City residents and businesses considerable
3 money. DSNY spends more than \$300 million currently
4 per year in landfilling costs. As landfills continue
5 to fill up and close, waste disposal and tipping fees
6 for businesses and institutions will continue to
7 climb.

8 The 2011 update to PlaNYC laid out a 13-
9 item solid waste reduction plan. This plan included
10 numerous strategies to reduce the amount of waste
11 generated in our city, reuse and recycle as much as
12 possible of what cannot be eliminated and a change in
13 the way we think about waste, not as a byproduct to
14 be disposed, but as a resource that can generate
15 energy, create jobs and spur economic development.

16 With City Council support we have already
17 reached several important solid waste milestones;
18 they are detailed in my written testimony, but I will
19 skip over them now in the interest of time.

20 Because organic waste makes up roughly
21 one-third of our waste, solid waste PlaNYC goals
22 cannot be achieved without a robust organic waste
23 diversion program. In 2012 DSNY launched a pilot
24 organic waste collection program in 68 Brooklyn and
25 Manhattan public schools. The pilot, constantly

2 expanding, has been very successful, with diversion
3 rates doubling in most of the schools. By providing
4 education, appointing clearly marked bins in the
5 cafeteria, scheduling daily collection of organic
6 waste and soon, eliminating polystyrene food trays,
7 DSNY and DOA... [interpose, background comment] right.
8 [laughter] DSNY and DOA together are making it easy
9 for teachers and children to divert organic waste.

10 In spring 2013 DSNY initiated household
11 organic waste collection, as well as offering free
12 composting bins and educational materials to
13 residents in Staten Island. Early results have been
14 very promising, both in terms of high participation
15 and low contamination. This illustrates New Yorkers'
16 willingness to adopt this practice and their ease in
17 doing so.

18 In addition, businesses are also making
19 significant voluntary efforts to divert organic
20 waste. In April of this year, Mayor Bloomberg
21 partnered with over 100 restaurants, environmental
22 organizations, solid waste experts, and private
23 carters to launch the Food Waste Challenge. It is a
24 voluntary program with restaurants committing to a 50
25

2 percent organic waste diversion target, as well as
3 ongoing tracking of their waste generation.

4 Participating food establishments include
5 New York favorites as well as nationally renowned
6 fast food chains. Just six months into the program,
7 half of these participants, many of them small,
8 single-owner restaurants, have achieved the diversion
9 goal, demonstrating that organic waste can be
10 accomplished even in the smallest... sorry... organic
11 waste diversion can be accomplished even in the
12 smallest of kitchens and without encountering any
13 vermin or odor issues.

14 Much of what has been diverted under the
15 Food Waste Challenge has been edible food donated to
16 City food banks to help feed New York's neediest.
17 Many hotels, supermarkets, airlines and stadiums are
18 eager for the chance to join the Food Waste Challenge
19 and increase their organic waste diversion. These
20 are businesses that are already separating organic
21 waste well in advance of legislation. This list
22 includes hotels, supermarkets, universities; such as
23 Jet Blue, the Intercontinental Hotel, Stop & Shop,
24 St. John's University and Yankee Stadium.

2 To assist participants in reaching the
3 Food Waste Challenge goal, we have developed a suite
4 of tools and resources. The first of these is a food
5 waste diversion how to guide, which presents
6 information on and strategies for source separating
7 both back of house and front of house food waste,
8 choosing appropriate bins and storage equipment,
9 options for use of compostable bags and food service
10 ware, training and messaging for staff, relevant food
11 safety regulations and negotiating with waste
12 haulers. This guide also offers methods of waste
13 preventing, including source, reduction of food waste
14 and food donation.

15 We are also conducting a pilot of an on-
16 site food waste processing technology with the
17 Department of Environmental Protection and City
18 College and a winner of the City Council and
19 Bloomberg Administration's Municipal Entrepreneurial
20 Testing Systems Competition. This unit reduces the
21 weight of food waste up to 90 percent, requiring
22 minimal space and fully sealed to prevent odor.

23 Proven use of these types of technologies
24 will provide businesses cost saving options for
25 dealing with organic waste on-site, simultaneously

2 getting trucks off the street and trash bags off the
3 curb, a real value proposition to our communities.

4 No I would like to discuss the proposed
5 legislation and what it seeks to do. As written,
6 Int. 1162 requires certain larger food-generating
7 establishments, such as supermarkets, large
8 restaurants, caterers, hotels and entertainment
9 centers to arrange with a license carter for the
10 separate collection of organic material for purposes
11 of composting anaerobic digestion or other approved
12 methods. Licensed carters must deliver this
13 collected material directly to an organics processing
14 facility or an equipped transfer station that will
15 then transfer it as source-separating material to an
16 organics processing facility.

17 This program would begin July 1st, 2015,
18 but could be delayed for up to three years if the
19 Sanitation Commissioner determines that there are an
20 insufficient number of facilities close to the City
21 to process organic waste.

22 Int. 1162 is not a food waste disposal
23 ban. Covered establishments must not meet organic
24 waste diversion rates. Also, Int. 1162 does not
25 impact small restaurants, cafes, grocers and delis in

2 New York City, but rather, seeks to accomplish the
3 goal of large-scale organic waste diversion by
4 addressing only the largest organic waste generators
5 who are best equipped to comply.

6 Before introducing this bill we conducted
7 economic analysis to understand how this measure
8 would affect costs and competitiveness. What we
9 found is that at present there is an uncompetitive
10 market for organic waste collection or large-scale
11 processing capacity close to New York City. This
12 makes organics collection service more expensive for
13 businesses and haulers.

14 In other regions with more wide-scale
15 capacity, tip fees at organics processing facilities
16 are at least 40 percent and as much as 65 percent
17 lower than landfill tip fees. We believe that
18 creating a significant new source of demand will lead
19 to investment in infrastructure in the region,
20 sufficient both in terms of scale and proximity to
21 serve New York City. The result of additional
22 capacity will be a more competitive marketplace for
23 organic waste collection and processing services that
24 will drive reductions in real waste collection costs.

2 Developers have also indicated their readiness and
3 ability to develop this capacity.

4 This draft legislation is also grounded
5 in the experience of other cities and states
6 throughout the U.S. We found examples of many cities
7 that have successfully established commercial
8 organics programs, including San Jose, California and
9 Austin, Texas, as well as states like Connecticut,
10 Massachusetts and Vermont, right here in the region
11 that have passed or are expecting to pass similar
12 legislation soon.

13 We learned from legislatures and
14 officials in those states what has worked well and
15 what has been challenging. For example, Int. 1162
16 follows the precedent set by Connecticut and
17 Massachusetts in allowing legislation to be delayed
18 if there is not adequate capacity within the region.

19 We also found that Massachusetts has
20 effectively worked with businesses to accelerate
21 compliance ahead of regulation by providing resources
22 and technical assistance in a similar fashion to the
23 Food Waste Challenge in New York. We are currently
24 in the process of expanding this program and other
25 resources to accelerate early compliance. OLTPS and

2 DSNY would both work to provide additional outreach,
3 offer practical and sensible advice on developing a
4 plan that suits each food-generating establishment's
5 needs. Several discussions are already underway for
6 tailored projects for large commercial buildings and
7 the City's stadiums to implement cost-effective
8 organic waste operation strategies.

9 Separating organic material as
10 contemplated under Int. 1162 provides a valuable
11 environmental and economic opportunity for New York,
12 as it has in other cities. We believe it will reduce
13 long-term costs for businesses and the City, create
14 jobs in New York and the region and generate valuable
15 commodities, such as compost and renewable energy.
16 The people who you will hear from today are already
17 doing this and are excited for the opportunities to
18 come. In addition, you will hear strong expressions
19 of support from numerous industry organizations
20 testifying, such as the American Biogas Council and
21 U.S. Composting Council.

22 New York City having the largest number
23 of food-generating establishments among any city in
24 the nation must now also lead in this area. We look
25 forward to collaborating with you in the coming weeks

2 on this important legislation. And once again, thank
3 you for this opportunity to testify. [background
4 comments]

5 CHAIRPERSON JAMES: Thank you. We've
6 been joined by Council Member Robert Jackson from
7 Manhattan. In your testimony you indicated that the
8 bill will affect fewer than 5 percent of all
9 businesses in the food industry; could you further
10 define who this bill... what industry or what food
11 industry establishments this bill would apply to?

12 ELIZABETH BALKAN: Yeah. Large food
13 manufacturers, food wholesalers.

14 CHAIRPERSON JAMES: Do you define large
15 in the bill?

16 ELIZABETH BALKAN: Yes; there are values
17 stipulated in the bill, either square footage
18 threshold values or occupancy values.

19 CHAIRPERSON JAMES: Okay. And it will
20 capture only 30 percent of all commercial organic
21 waste as a result of the limitations on the size?
22 Ron, you uh...

23 RON GONEN: As it's written it will
24 capture 30 percent of the organic material generated
25 in the commercial sector in New York City; that being

2 said, we expect it to actually capture much more
3 because there's a lot of smaller food service
4 establishments that would like to participate in
5 organic separation; it's just that the market hasn't
6 reached the scale required for them to easily
7 participate, so one of the things that we're very
8 excited about the way this bill is written is that
9 it's specifically focused on large generators...
10 [interpose]

11 CHAIRPERSON JAMES: Uh-huh.

12 RON GONEN: but it will also create a
13 market, an infrastructure for everyone else to
14 participate if they so choose and we expect that many
15 small food establishments will choose to participate;
16 we've already received a lot of excited interest from
17 them.

18 CHAIRPERSON JAMES: This bill will go
19 into effect July 1st, 2015 primarily because we don't
20 have the sufficient composting capacity available.
21 In the event that we do not reach the capacity at
22 that date, what are the plans, if any?

23 ELIZABETH BALKAN: The Department of
24 Sanitation Commissioner has the authority to suspend
25

2 the legislation for one-year periods for up to three
3 years, as the bill is currently drafted.

4 CHAIRPERSON JAMES: And how do you
5 anticipate this bill will impact costs for
6 restaurants and other food service establishments?

7 ELIZABETH BALKAN: Our expectation is
8 that with additional processing capacity there will
9 be more competition among service providers and
10 scaled up capacity nearer to New York City, which we
11 think will drive a significant reduction in
12 collection costs, organic waste collection costs.

13 CHAIRPERSON JAMES: And in your testimony
14 you talked a little bit about a pilot program; can
15 you elaborate a little bit more on that pilot
16 program?

17 ELIZABETH BALKAN: Sure; I think you're
18 referring to the on-site... [interpose]

19 CHAIRPERSON JAMES: Yes.

20 ELIZABETH BALKAN: technology.
21 Absolutely. This is a technology which is actually
22 already installed in some businesses in New York
23 City, so in some ways it's been proven to work and
24 that's for some businesses that have a very minimal
25 amount of square footage and storage space, so the

2 unit can be installed even in the smallest
3 facilities. Businesses that have more square footage
4 are obviously at an advantage, so large universities;
5 hospitals obviously can make more easy use of it.

6 The pilot is intended to provide
7 additional regulatory clarity around these
8 technologies, because we know that businesses will
9 need a number of solutions as the legislation takes
10 effect and we wanna make sure that there is
11 significant ease in them doing so by having a
12 regulatory clarity.

13 CHAIRPERSON JAMES: And the issue of
14 vermin was not an issue related to this product or
15 this... of the unit? [crosstalk]

16 ELIZABETH BALKAN: The issue of vermin
17 and vectors has not come up at all, nor has odor.

18 CHAIRPERSON JAMES: And the cost
19 associated with this unit?

20 ELIZABETH BALKAN: The cost savings
21 potential relates obviously to... it's dependant upon
22 what the business is currently paying in waste
23 hauling fees; however, in most cases it can provide
24 an opportunity for considerable cost savings
25 reductions, particularly as the unit can be

2 purchased... sorry... used on a lease basis, which means
3 that there's no up front capital investment for it.

4 CHAIRPERSON JAMES: And have you
5 estimated the savings as a result of tipping fees?
6 Has there been any estimation, any calculation on the
7 savings to businesses?

8 ELIZABETH BALKAN: Businesses that are
9 currently using it are saving... depending on how much
10 food waste they generate, saving between 20 and 50
11 percent on their waste hauling costs per month.

12 CHAIRPERSON JAMES: And as a result of
13 the methane which is generated from the decomposition
14 of this waste, any plans to capture that methane?

15 ELIZABETH BALKAN: Yeah, so right now the
16 City also has another pilot underway, also with DEP
17 at the City's wastewater treatment plants..

18 CHAIRPERSON JAMES: Uhm-hm.

19 ELIZABETH BALKAN: at Newtown Creek,
20 where there are anaerobic digesters, there is excess
21 capacity for digestion and so working with the
22 Department of Sanitation, Waste Management and
23 National Grid, DEP is actually accepting a lot of the
24 food waste that is being collected by the Department
25 of Sanitation under the public schools organic

2 collection pilot. That material is being injected
3 directly into the digesters at Newtown Creek, which
4 will assist in the generation of... the methane that
5 results from the decomposition will assist the
6 wastewater treatment plant in generating renewable
7 biogas.

8 CHAIRPERSON JAMES: And back to the unit;
9 could you explain a little bit how the unit reduces
10 the weight of food?

11 ELIZABETH BALKAN: Sure. There are many
12 types of technologies out there, so they are all a
13 little bit different... [interpose]

14 CHAIRPERSON JAMES: Uh-huh.

15 ELIZABETH BALKAN: their process is a
16 little bit different, but the one that we are
17 piloting does not require any special additives, food
18 waste is just added to the machine after being ground
19 up, macerated and in a heat and turning mechanism,
20 over 24 hours the material becomes basically what is
21 the... a compost-like product.

22 CHAIRPERSON JAMES: And in regards to the
23 copy of the guide; does the administration plan on
24 assisting with training at some of the restaurants?

2 ELIZABETH BALKAN: Yes. So we've been
3 providing technical advisory in an ongoing basis...

4 CHAIRPERSON JAMES: Uhm-hm.

5 ELIZABETH BALKAN: and would like to
6 continue working with businesses to make this
7 possible. We've also been working with the New York
8 State Restaurant Association, which is in the process
9 of conducting sustainability training for many of
10 their member restaurants, so we would like to
11 continue working with them.

12 CHAIRPERSON JAMES: And what is the
13 reasonable expectation for what carters will pay to
14 tip source separated organics at composting
15 facilities or at marine transfer stations?

16 RON GONEN: I don't think it's
17 appropriate for us to suggest what the potential tip
18 fee will be...

19 CHAIRPERSON JAMES: Yeah.

20 RON GONEN: what we're expecting to see
21 is a very competitive market; I think there's a
22 number of companies in the audience today that are
23 very excited about developing processing solutions
24 for the New York City market, so I think we're gonna
25 see a very competitive market which will bring down

2 disposal costs from what we see today, but we can't
3 forecast what those exact prices are going to be, but
4 we are excited about the potential reduction in
5 disposal costs that we will see.

6 CHAIRPERSON JAMES: What I've heard from
7 a number of restaurants is their concern about
8 storage space and requiring storage space and a
9 number of them have expressed concerns with regards
10 to that requirement; can you talk a little bit about
11 that?

12 ELIZABETH BALKAN: What I like to tell
13 businesses when they're considering this kind of
14 program is; the waste doesn't change... [interpose]

15 CHAIRPERSON JAMES: Uhm-hm.

16 ELIZABETH BALKAN: it's the same amount
17 of waste and it's the same type of waste that they're
18 generating, so I do realize that storage is always a
19 concern, but the waste itself is not changing and the
20 Food Waste Challenge has shown that you can
21 successfully implement organic waste separation
22 without having a lot of space. As I talked a little
23 bit about on-site technologies, I think that can be
24 used to mitigate storage concerns, but also, as more
25 and more businesses start to source separate their

2 organic waste and haulers are able to provide daily
3 collection of this material, the need for space for
4 storage of this waste will significantly decrease.

5 CHAIRPERSON JAMES: And is the square
6 footage designation in the bill; is it based on front
7 of store operations or total square footage?

8 ELIZABETH BALKAN: Right now it is based
9 on... as of my understanding it's based on total square
10 footage.

11 CHAIRPERSON JAMES: Okay. And do you
12 anticipate that a food service establishment would
13 require daily collection for both source separated
14 organics and regular waste?

15 ELIZABETH BALKAN: So as part of the Food
16 Waste Challenge we conducted waste sorts of many
17 restaurants and other businesses like supermarket in
18 the City; what we find is that these types of
19 businesses generate 60 percent or more organic waste
20 and about 25 percent recyclables -- bottles,
21 cardboard, that kind of thing. This means that only
22 about 10 percent of what's left is non-recyclable,
23 non-organic waste. By developing a program to divert
24 organic waste and get recyclable collection,
25 businesses are left with a very small amount of waste

2 that has to be collected and it's also the most
3 stable of the waste. So really, we think the key is
4 to getting the organics picked up daily and
5 recyclables picked up regularly and the rest of the
6 material is quite minimal.

7 CHAIRPERSON JAMES: And how will
8 Department of Sanitation enforce this bill; what are
9 the enforcement mechanisms?

10 RON GONEN: Right now there are penalties
11 in the legislation if a commercial business or a
12 hauler violates the legislation; that being said, we
13 do not expect there to be a need for a significant
14 amount of enforcement; we think that the commercial
15 sector is going to be excited about this because it's
16 gonna reduce their costs and there's many haulers
17 that already offering this service and wanna see it
18 expand. So we expect that if someone is violating
19 the legislation we will probably hear from it from
20 the either commercial food establishment or from the
21 haulers who are trying to offer that service and then
22 we will put a plan in place to go and monitor and see
23 if the legislation is being violated. But as of
24 right now we don't expect the need to put a
25 significant amount of enforcement behind this; we

2 expect a high degree of compliance and if there is
3 incompliance we expect the haulers or the commercial
4 food establishments that are participating to notify
5 us and then we will take action.

6 CHAIRPERSON JAMES: So the administration
7 at this point in time is prepared to move the bill
8 with the City Council support the bill as it stands
9 now or are there any other changes that you're
10 seeking?

11 ELIZABETH BALKAN: We are comfortable
12 with the bill as it currently stands; we understand
13 that there are concerns with the bill and interest in
14 amending the language to more address some of the
15 concerns in the industry. We are both aware and
16 amenable to those proposed changes...

17 CHAIRPERSON JAMES: Uhm-hm.

18 ELIZABETH BALKAN: and would like to work
19 with the Council and external stakeholders to get to
20 a version of the bill that will work.

21 CHAIRPERSON JAMES: Excellent. Now
22 there's a number of individuals who are here to
23 testify; do you plan on staying around or is anyone
24 assigned to...

2 RON GONEN: We will stay around and I
3 think, just looking out in the audience, most of the
4 people here to testify we've already met with...

5 CHAIRPERSON JAMES: Okay.

6 RON GONEN: a number of times, so we're
7 here, we're available today to continue to answer
8 questions; we've also scheduled meetings with a
9 number of the people in the audience post this
10 meeting for next week and the following week to just
11 dot all the i's and cross all the t's... [interpose]

12 CHAIRPERSON JAMES: Excellent.

13 RON GONEN: in terms of whatever
14 questions come up and we've heard some of the
15 concerns and issues that have been brought up by some
16 of the industry associations; there's nothing that
17 we've seen in any of those comments that we can't
18 address and I think accommodate, so we feel good
19 about the language. [interpose]

20 CHAIRPERSON JAMES: And do you... do you
21 feel confident that we can move this bill before the
22 end of the legislative year?

23 RON GONEN: Absolutely.

24 CHAIRPERSON JAMES: Excellent. Thank
25 you. [background comment] So if the... Department of

2 Sanitation, if you could perhaps have a seat so we
3 can just... enforcement unit, if we could talk a little
4 bit about 1140-A, Council Member Oddo's bill.

5 [background comments]

6 So do you have any testimony or did you
7 just prepare for questions? Okay. So are there
8 particular neighborhoods or districts where the
9 Department of Sanitation receives significant
10 complaints about lawn sign litter; I would imagine
11 Staten Island?

12 ENFORCEMENT OFFICER: Yes, Staten Island
13 has the most amount of complaints for the lawn
14 litter... I'm sorry, on signs posted on grassy areas;
15 they seem to be more common there than signs posted
16 illegally on city-owned property; street signs, lamp
17 posts, etc.

18 CHAIRPERSON JAMES: And as the law is
19 currently written, is it possible for you to enforce
20 the law with respect to issuing notices... [interpose]

21 ENFORCEMENT OFFICER: Not at this time;
22 Section 1019 as currently drafted -- a city-owned
23 grass area is not listed among prohibited places for
24 posts to be placed.

2 CHAIRPERSON JAMES: And as the bill is
3 currently drafted, would it give you the authority to
4 now issue violations?

5 ENFORCEMENT OFFICER: Yes. It would give
6 DSNY the authority, NOVs for signs that are placed on
7 city-owned grass areas adjacent to a street.

8 CHAIRPERSON JAMES: So let me ask you
9 this question; would it apply to political signs?

10 ENFORCEMENT OFFICER: Yes.

11 CHAIRPERSON JAMES: It would? Good.

12 And... [laughter] that was a question by Council Member
13 Oddo... no, actually [laughter] it wasn't; it was...
14 [laughter] and do you envision that the Department of
15 Sanitation enforcing this portion of the illegal
16 posting law in more densely populated areas that have
17 historically not been problems? I mean... [crosstalk]

18 ENFORCEMENT OFFICER: Als...

19 CHAIRPERSON JAMES: are there parts of
20 Brooklyn that this would apply to?

21 ENFORCEMENT OFFICER: Well right now
22 Staten Island has the most complaints, so...
23 [interpose]

24 CHAIRPERSON JAMES: Yeah.
25

2 ENFORCEMENT OFFICER: if it applies to
3 any other area we will enforce it; not that
4 historically... hopefully it'll go down and especially
5 in Staten Island.

6 CHAIRPERSON JAMES: And are you driven by
7 complaints or can you issue violations on your own
8 sua sponte?

9 ENFORCEMENT OFFICER: We could issue on
10 our own if it passes.

11 CHAIRPERSON JAMES: Okay. Okay. Any
12 other comments you wanna make in regards to this
13 bill; is the Department of Sanitation in support of
14 the bill?

15 ENFORCEMENT OFFICER: We approve the
16 bill.

17 CHAIRPERSON JAMES: Thank you very much.

18 ENFORCEMENT OFFICER: Thank you.

19 CHAIRPERSON JAMES: Thank you; I
20 appreciate it. Tell the Commissioner I said hello.

21 Now we wanna call up our first panel, Mr.
22 David Biderman, Mr. James [background comment]
23 Versocki, Pablo [background comment] Zangerle and Jay
24 Peltz. I believe we need another chair, Sergeant of
25 Arms.

2 [pause]

3 JAMES VERSOCKI: All set? Great. Good
4 morning Chairwoman James, nice to see you again.
5 [background comment] Thank you. My name is James
6 Versocki; I'm here testifying as Counsel on behalf of
7 the New York State Restaurant Association,
8 particularly the New York City chapter. The New York
9 State Restaurant Association is the largest trade
10 association for hospitality in the State and the City
11 of New York; just by way of background, it has nearly
12 5,000 restaurants in the City... by the way, it's...
13 there's still a lot more than that; there are about
14 18,000 stand-alone restaurants in the City; statewide
15 we have over 10,000 members. We work closely across
16 the country on all sorts of bills, including solid
17 waste issues that have occurred around the country,
18 in a partnership with the National Restaurant
19 Association. I will not read the testimony verbatim,
20 but we did wanna highlight some bills.

21 As the administration noted, the New York
22 State Restaurant Association has worked closely with
23 the voluntary Food Waste Challenge over the last
24 year. It was a pilot program that got approximately
25 100 restaurants from large operations down to some

2 smaller ones to try to work out the kinds in how
3 you're gonna do organic separation. No one,
4 including the restaurant industry doesn't deny that
5 there is a need to address in some way organic
6 separation; it is a huge problem for the City of New
7 York from an environmental standpoint, but of course,
8 we also have to address the business issues that come
9 with this.

10 The Restaurant Association does
11 appreciate and I'd like to note, the work with the
12 Department of Sanitation and the Mayor's Office,
13 specifically the Office of Long-Term Planning and
14 Sustainability; they've worked long and hard with the
15 Association to develop methods to do organic
16 separation, but we do have some concerns about this
17 as written that I will highlight for the Committee
18 today.

19 I think the biggest issue and you've
20 addressed this, Chairwoman James, is the timeframe
21 here. One of the biggest concerns is that we are
22 building a new industry; there is simply zero
23 capacity for commercial diversion. As you know,
24 restaurants do not... they privately contract with
25 carters, which are regulated by the Business

2 Integrity Commission, to deal with their waste and
3 the closest current facility is 123 miles away in
4 Delaware that could handle organic separation. To
5 think that this industry could be developed in 18
6 months is just not realistic and therefore one of the
7 largest concerns about this bill is the timing of
8 implementation. We understand that the goal of the
9 administration and through this legislation is to
10 commit to create demand. That being said, there is
11 no demand that can be created because there's no
12 place to process it and it is chicken and egg and we
13 understand that, but from the restaurants'
14 perspective, if you force this process to happen
15 without sufficient capacity, you have a real problem
16 for operators, which are largely small businesses. I
17 think there's gonna be a hearing this afternoon on
18 language accessibility for small businesses in the
19 City of New York; the vast majority of restaurants
20 are owned by immigrant ownership and you know, it is
21 important to address the fact that we cannot have
22 huge increases on small businesses. There is
23 currently a rate cap in place through the Business
24 Integrity Commission; that is going to increase by
25 15%. If this bill were to be completely mandated

2 without sufficient capacity and there was to be some
3 calls for even waiving the Business Integrity
4 Commission's rate cap, you know it could be
5 unbelievably the cost increases that could impact
6 small operators and small businesses. So we raise
7 that as an issue in terms of implementation; we
8 believe a more realistic initial deadline would be
9 January 1st of 2017 and we believe that there should
10 be not just three years of extensions, but five years
11 of extensions and those are as drafted, are one-year
12 extensions at the discretion of the Commissioner.
13 That being said, we believe that the Commissioner
14 shouldn't have complete unfettered discretion; the
15 bill should tie it into capacity; there's been
16 discussions about what the range of that capacity
17 should be; there's been discussions about making that
18 50 miles because that's what the carters could
19 utilize to make a route viable.

20 You also asked a little bit about what
21 restaurants feel about how this works; you know,
22 where do you put the bins? And that is a big issue;
23 the garbage is still there undoubtedly, but as you
24 know, even from our smallest diners and little coffee
25 shops, space is at a premium in New York City and so

2 there are kinks that need to be worked out and this
3 is what we've done through the green restaurant
4 initiative that we run in conjunction with the EPA;
5 is how to address and build out so that restaurants
6 have where this bin is gonna go; how is it gonna be
7 picked up; what's the frequency of new garbage truck
8 routes that are gonna run through neighborhoods?
9 These all need to be worked out and that is the
10 concern that we need additional time to make sure
11 this works so communities aren't impacted harshly and
12 that businesses can do this in a cost-effective way.

13 You have to consider that in some
14 restaurants build-outs are, you know, inches matter,
15 because you have different serving stations that are
16 built to have one bin in one location, so you need
17 time to be able to potentially re-engineer some
18 kitchens and obviously what happens at some large
19 high-end restaurants may be different than other
20 ones, but there's real infrastructure costs
21 associated with this bill for businesses, so that's
22 why we ask for more time to implement this.

23 As noted, the biggest issue is capacity.
24 We also ask that some other legislation recently that
25 has been passed, that we've worked on, is included --

2 developing task forces -- we've had a task force
3 created with the Department of Health to review fines
4 for small businesses and what we would like to do,
5 and Council Member Arroyo actually helped with those
6 bills -- it's good to see her this morning --- we
7 actually would suggest that a task force be appointed
8 of all industries as a part of this bill so that the
9 restaurant industry, the hotel industry, the carters;
10 supermarkets can all be a part of this, working with
11 the administration to implement this bill if it does
12 pass.

13 And in conclusion; I know we have other
14 people to speak, I'd like to address... the bill does
15 have a fine-first mentality; we're trying to get away
16 from fining businesses, especially when they work
17 with the administration, so what we'd ask here is
18 that the fine provisions be changed to educational;
19 in addition... you know that can be part of the guides
20 that I believe the administration referenced that
21 they're trying to build to help restaurateurs learn
22 in how to implement; that is a better way than
23 immediately coming in and having Sanitation fine
24 people.

2 That being said, I'll defer to the rest
3 of my comments to the written testimony and thank you
4 for your time.

5 CHAIRPERSON JAMES: Before the next
6 panelist, we've been joined by Council Member Maria
7 del Carmen Arroyo from the Bronx. Thank you.

8 PABLO ZANGERLE: Good morning, my name's
9 Pablo Zangerle and I work at TLM Associates; I'm here
10 to represent Action Environmental Services; the
11 principal, Ron Bergamini would normally be here
12 testifying, but he's actually in Italy right now
13 visiting two composting facilities; one that I
14 believe is outside Bologna, so he asked if it'd be
15 okay if I read his very brief testimony into the
16 record.

17 "Action Environmental is the largest
18 commercial waste hauler in New York City with
19 subsidiaries that include a hauling company, transfer
20 stations and recycling facilities. We employ more
21 than 750 workers in the region including 300 in the
22 City and are proud to be an important part of
23 maintaining and growing our city's economy. Action
24 supports the goals outlined in Int. 1162, as
25 composting presents an opportunity to deal with

2 managing waste in a new and creative way. But our
3 support is conditioned on the creation of
4 infrastructure that will allow composting to succeed
5 and quite frankly, we have serious concerns given
6 legislation that the Council is poised to approve
7 next week.

8 As we sit here today, our company has
9 representatives in Italy visiting two organic
10 composting facilities to learn how organic composting
11 can be successfully done, as this is the logical next
12 step in the City's recycling efforts. Let me say up
13 front that Action Environmental understands the need
14 to increase recycling in order to meet the goals set
15 forth in PlaNYC and SWMP. We also understand that
16 the prospect of recycling organic waste provides the
17 greatest opportunity to reduce the volume of waste
18 exported and landfilled, as it represents about one-
19 third of our total waste stream.

20 The City has expanded recycling
21 significantly in recent years, most importantly
22 expanding it to rigid plastics, but our company and
23 others must raise a caution that if the City puts in
24 place ill-advised and poorly planned restrictions on
25 facility capacity, all bets will be off as these

2 changes create any business' worst nightmare --
3 uncertainty. Uncertainty makes effective planning
4 and investment difficult. Currently legislation
5 under consideration includes legislation that will
6 redistribute waste transfer station capacity
7 throughout the City, legislation requiring private
8 carters to replace or retrofit refuse trucks to meet
9 more stringent emission standards and three,
10 legislation to add foam to the list of recyclable
11 materials. As a company, we support the stricter
12 emission standards and we will continue to work with
13 BIC to improve the transition to a cleaner fleet,
14 mindful that this transition requires an industry
15 investment measured in the hundreds of millions of
16 dollars.

17 When considering today's posting
18 legislation we respectfully ask that the
19 administration and legislators take a moment and
20 consider the collective change anticipated by all
21 pending legislation and how it does or does not
22 facilitate investment in this social good by private
23 industry. If there is one stark forecast pointing to
24 the future demands on the collaboration of government
25 and the private sector in this industry it is the

2 following: By 2030 New York City's population is
3 forecasted to increase by over 700,000 people or 8
4 percent compared to 2010. There needs to be greater
5 focus on how to handle more refuse and not the
6 fiction that investment in innovation will be made in
7 a more restrictive business environment.

8 Action Environmental is prepared to
9 partner with the City on all fronts to make the
10 investments necessary to increase recycling and
11 reduce waste. Recently we have made a \$15 million
12 investment in our recycling facility in the Bronx, we
13 installed a state of the art optical sorting
14 recycling system and by the way, added about 40 jobs
15 at this facility. We did this with our institutional
16 investors and lenders, a partnership with Sustainable
17 South Bronx and a grant from New York State Empire
18 Development.

19 In summary, better than most, Action
20 Environmental understands the tasks, understands the
21 goals and looks forward to working with the City
22 towards an increasingly sustainable future. Thank
23 you."

24 [background comments]

25 DAVID BIDERMAN: Good morning...

2 CHAIRPERSON JAMES: Good morning.

3 DAVID BIDERMAN: Chairwoman James,
4 members of the Committee and distinguished guests; my
5 name's David Biderman; I'm the General Counsel for
6 the National Waste and Recycling Association, which
7 until two days ago was known as NSWMA; we actually
8 changed our name this week to include the name
9 recycling, to demonstrate our industry's commitment
10 to the new frontier of recycling. We're a non-profit
11 trade organization that represents waste and
12 recycling companies that operate in all 50 states and
13 our members include about 50 licensees who collect
14 waste and recyclables generated by commercial
15 customers in New York City and facilities such as
16 transfer stations and MRFs that manage, process and
17 recycle these materials.

18 So our association includes numerous
19 companies that are helping New Yorkers recycle their
20 discards every day. Our members process and recycle
21 a wide variety of materials generated in New York
22 City, including organic waste and for that reason,
23 our members are uniquely positioned to understand the
24 challenges posed by a mandatory organics diversion
25

2 requirement, as the gentleman representing Action
3 Carting highlighted in his testimony.

4 These challenges include importantly,
5 having sufficient disposal capacity to handle the
6 very significant volume of material that is generated
7 by the wide variety of covered establishments in the
8 bill. These covered establishments will generate
9 more than 300,000 tons of organic material annually
10 and a law mandating that this large volume of waste
11 be diverted from the current municipal waste stream
12 shouldn't be enacted without careful thought and
13 planning concerning where this waste will go and how
14 much it will cost to dispose it. And I respect the
15 Department of Sanitation and the Long-Term Planning's
16 work and analysis with regard to this issue, but I
17 just wish to point out that this isn't Vermont and
18 this isn't California and New York City has unique
19 geography, density and a regulatory structure that
20 requires New York City specific solutions to what
21 we're doing here.

22 So currently the majority of organic
23 waste generated in New York City by commercial
24 customers is disposed of at large landfills that
25 harvest renewable landfill gas from the decaying

2 waste and that is used to power homes and businesses.

3 For example, Seneca Meadows in Upstate New York

4 generates a 143,000 plus megawatts of energy

5 annually, which is sufficient to power about 20,000

6 homes. Some of the organic waste generated in the

7 City is burned at waste to energy facilities in New

8 Jersey or Long Island where it generates electricity.

9 Turning to the bill, so while we support

10 the waste diversion concept embodied in 1162, we do

11 have some serious concerns about the bill as written.

12 Now before I discuss those I would like to briefly

13 digress from my written testimony to point out the

14 connection between this legislation and other

15 legislation pending before this committee -- 1170-A,

16 the transfer station capacity reduction bill: This

17 bill is the real transfer station capacity reduction

18 bill that this Council should be considering. This

19 bill will divert hundreds of thousands of tons of

20 waste out of the MSW stream that's currently being

21 disposed of at facilities in the affected

22 neighborhoods and will divert it to new facilities

23 located elsewhere. In combination with the marine

24 transfer stations that are gonna be coming online,

25 the goals of the SWMP, the goals of the members of

2 this committee and others who wanna reduce the impact
3 on the neighborhoods will be achieved. And if both
4 bills are passed, as I'll get back to in a moment,
5 some of the goals in this bill, in the organics bill,
6 simply won't be achieved, because no rational company
7 is going to invest in building a new organics
8 facility in New York City if the City Council passes
9 a bill that says we can affect your permit because
10 you're in a certain neighborhood. So I want
11 everybody to understand... [interpose, background
12 comment] Yes, they're in direct conflict and in
13 addition, it means less jobs in the City as a result.

14 But let me return now to the bill
15 specifically and to my legislation... excuse me... and to
16 my testimony. So we're troubled that the deadline
17 set forth in the current version of 1162 are
18 unreasonably short and don't provide sufficient time
19 for organic disposal facilities to be sited,
20 permitted, constructed and become operational; it
21 takes several years to complete those processes under
22 the best of circumstances and local neighborhood
23 opposition to new waste facilities can be expected to
24 delay the process. Thus, scheduling the diversion to
25 begin in July 2015, about 18 months from now, is too

2 short and we urge the deadline for the organics
3 diversion bill to be changed to January 2017.

4 Further, we have concerns about the
5 Department of Sanitation's ability to waive the
6 diversion requirement to be only three years; it may
7 be difficult to site sufficient capacity in a densely
8 populated New York City metropolitan area to handle
9 hundreds of thousands of tons of organic waste that
10 will be diverted annually and we urge that the bill
11 be amended to authorize the Department of Sanitation
12 to delay implementation for five years.

13 Finally, the bill as written as to
14 determination of whether there is sufficient capacity
15 is based on the number of facilities within a 125
16 miles; this is both the wrong way to calculate
17 capacity and is too large a geographical area,
18 encompassing Philadelphia, its metropolitan area and
19 portions of six states. Sufficient capacity should
20 be defined as available permitted capacity at a
21 minimum of three facilities within a specific
22 geographical limit that exceeds by at least 50
23 percent the amount of organic material expected to be
24 diverted as a result of this legislation. Why the 50
25 percent addition? Because as the department

2 testified, they're expecting not just covered
3 establishments to divert their organics, but smaller
4 facilities to also take advantage of this new
5 opportunity and we need to make sure that there is
6 sufficient capacity to handle that material.

7 Regarding the distance -- it takes more
8 than two hours to travel 125 miles by truck, which
9 means at least five hours of time would be needed to
10 travel to a disposal facility located 123 miles away,
11 wait in line to dump the load, dump the load and then
12 drive back to the City. Federal Transportation Law
13 limits driving time to 11 hours a day, which leaves
14 less than six hours for the driver to run his route
15 and collect material from covered establishments.

16 Carters will have great difficulty creating routes
17 that make any sense if there's a 125-mile radius and
18 so we urge that a 50-mile radius be used in the bill.

19 Our members are concerned that they'll be
20 forced to purchase special trucks to handle wet
21 organic waste; these vehicles cost \$300,000 each if
22 they're new and the majority of licensed carters in
23 the city are small family-owned businesses still
24 struggling to recovery from the Great Recession.

2 There's no guarantee disposal fees in the
3 new facilities will be lower than the current
4 disposal fees and if they're located 40-50 miles
5 away, there's gonna be transportation costs that need
6 to be kept into consideration. And it's difficult to
7 imagine, given those circumstances, how carters who
8 operate under the rate cap will be able to run heavy,
9 organic-only routes profitably. So therefore, we ask
10 that the administration and the Council support the
11 elimination of the rate cap as applied to organics
12 once this diversion requirement takes effect.

13 Finally, I've already mentioned some of
14 my concerns with regard to the connection between
15 this bill and the transfer station reduction bill.
16 If the Council enacts Int. 1170-A or anything like
17 it, it means no rational company will ever invest in
18 building an organics processing facility in New York
19 City. By allowing permits to be superseded by local
20 politics the Council sends a strong message to the
21 waste and recycling industry and others -- we don't
22 want you in New York City. This means the blue
23 collar jobs and tax revenue associated with those new
24 facilities will be reaped by other communities and
25 other states. Companies and investors will be very

2 hesitant to invest in expensive new equipment for
3 processing waste and recyclables or seek permits to
4 obtain new recycling facilities if that type of
5 legislation is passed.

6 I appreciate the opportunity to testify
7 today and will be glad to answer any questions.

8 JAY PELTZ: Good morning.

9 CHAIRPERSON JAMES: Good morning.

10 JAY PELTZ: I'll read portions of my
11 testimony; not the whole thing.

12 Thank you for the opportunity to testify
13 at today's public hearing. My name is Jay Peltz and
14 I'm the Vice President of Public Affairs for the Food
15 Industry Alliance of New York State. The Food
16 Industrial Alliance is a non-profit trade association
17 that promotes the interests statewide of New York's
18 grocery stores, drug stores and convenience stores.

19 Under the bill, food manufacturers, food
20 wholesalers and retail food stores are covered based
21 on the amount of floor area space, this standard is
22 arbitrary and does not reflect realities in the
23 marketplace. With respect to food retailers, formats
24 vary from store to store; accordingly, the amount of
25 food waste generated per store varies widely with no

2 inherent correlation between store size and waste
3 generated. For example, a non-traditional store that
4 is focused on fresh, perishable prepared foods will
5 generate much more food waste than a traditional
6 store with the same amount of floor area. As a
7 result, there is no clear rationale to cover both
8 stores simply because each store has about the same
9 amount of selling area. In addition, food retailers
10 generally provide meat scraps, fat and bone to a
11 rendering company; typically the material is recycled
12 into consumer packaged goods, such as soap, pet food,
13 etc. Some food retailers have anaerobic digesters
14 on-site and many donate substantial amounts of foods
15 to food banks. Other food retailers provide food to
16 livestock farmers for use as feed stock; accordingly,
17 the actual amount of food waste sent to a landfill
18 from a typical retail food store is less than the
19 total food waste generated by that store; can be
20 higher or lower than one might expected based on
21 store size and can be proportionately lower than the
22 amount of food waste sent to landfills by
23 establishments in other sectors that are providing
24 less food to charities, farmers and/or less food
25 waste to recyclers.

2 Moreover, Connecticut's recently enacted
3 organic waste legislation is based on average
4 projected organic waste volume, not store size.
5 Massachusetts is considering adopting an organic
6 waste mandate based again on average projected
7 organic waste volume rather than store size.

8 Based on the foregoing, any mandate
9 should be based on the amount of food waste actually
10 being landfilled rather than store size or the
11 estimated total amount of food waste generated by a
12 store. Businesses would be incentivized to cut the
13 amount of food waste they are landfilling to fall
14 below the threshold. The public would benefit
15 through the increased diversion of waste from
16 landfills and we'd avoid penalizing establishments by
17 counting, one way or another, organic waste that is
18 not landfilled toward a threshold that triggers a
19 mandate.

20 In addition, the bill text requires
21 covered establishments to divert all their organic
22 waste in one of three authorized ways; accordingly,
23 existing arrangements, including valid contracts
24 would be upset; that would mean that meat-rendering
25 companies might go out of business and charities, as

2 well as farmers would receive less donated food. Any
3 mandate triggered by the amount of organic waste
4 being landfilled would avoid these unintended
5 consequences.

6 Before a mandate is imposed on industry,
7 however, we would respectfully request the Council to
8 consider the Massachusetts approach. Since at least
9 2006 food retailers have diverted substantial amounts
10 of food waste from landfills by entering into MOUs
11 with the Massachusetts Department of Environmental
12 Protection. Food retailers in Massachusetts are not
13 overly concerned about organic waste regulation being
14 contemplated in that state, because the
15 infrastructure, resources and best practices to
16 handle the increased volume of food waste diverted
17 from landfills under the MOUs is already in place.
18 This framework has been a win-win for the public and
19 industry. We respectfully request that the Council
20 study the feasibility of implementing this approach
21 in the city before any mandates are enacted.

22 The only part of the law that does not
23 take effect immediately is the enforcement section.
24 Accordingly, as of the enactment date, covered
25 establishments will be subject to all of the law's

2 mandates; that will require by July 1, 2015 a covered
3 establishment to either: (1) negotiate and prepare
4 to implement a contract with a private carter; (2)
5 have the capacity to transport their organic waste
6 without a third-party or; (3) process the waste, at
7 least in part, on site. Resources will be expended
8 in any of these scenarios notwithstanding the fact
9 that current capacity is woefully inadequate to
10 handle the enormous amount of waste that will be
11 shifted to certain processors in a very short period
12 of time. It will take many years in all likelihood
13 to raise a significant amount of capital, find the
14 right locations, design the facilities, obtain the
15 required permits, hire the people and ultimately
16 build the fully functional infrastructure necessary
17 to process a significant amount of waste to be
18 diverted under this law. It does not seem possible
19 that this will happen by July 1, 2015; accordingly,
20 effectiveness of all the bill's provisions should be
21 delayed until the infrastructure is in place to
22 absorb all the waste to be shifted under the
23 legislation; this is the only way to avoid
24 potentially substantial increases in hauling cost due
25 to the supply, demand and balance that is very likely

2 to be created under this measure. The risk that
3 processors cannot build sufficient capacity to
4 process the waste to be diverted under this law
5 should be borne by the processors themselves; i.e.,
6 the stakeholders that will profit from the mandate,
7 not the covered establishments and by extension,
8 their customers, employees and suppliers. So a
9 distinction has to be made between the possibility of
10 suspension of initial implementation only under the
11 bill and effectiveness; the bill goes into effect
12 right away other than the enforcement provisions.

13 Based on the foregoing, the Food Industry
14 Alliance of New York, on behalf of its members,
15 opposes adoption of this bill. Thank you for your
16 time and attention to our concerns.

17 CHAIRPERSON JAMES: Thank you for your
18 testimony. Mr. Peltz, can you talk a little bit
19 about what's happening in Massachusetts in this MOU?

20 JAY PELTZ: Sure. I've had discussions
21 with the Massachusetts Food Association, so they've
22 had a very positive experience. Back in 2001, under
23 the Solid Waste Management plan, the goal was to ban
24 landfilling of all organics within 10 years; they
25 knew they weren't gonna meet that goal, so they

2 engaged private stakeholders in a series of
3 discussions to see if they can accomplish a lot of
4 diversion on a voluntary basis. So they engaged the
5 Massachusetts Food Association; I believe every major
6 chain has signed an MOU with Mass DEP and under those
7 MOUs, over time, presumably tens of thousands of tons
8 of organic waste has been diverted. So now Mass DEP
9 is undergoing a regulatory review; my understanding
10 is that the regs oughta be effective sometime next
11 year; they're looking again to divert all organics
12 from landfills and they're looking at a standard not
13 based on floor area size, but of waste generated;
14 last I heard it was an average estimated weekly
15 volume of a ton a week, but again, food retailers
16 aren't overly concerned because of the resources, the
17 capacity, the best practices; they know how it's all
18 in place, 'cause they've been doing it on a voluntary
19 basis since '06.

20 CHAIRPERSON JAMES: It's all voluntary?

21 JAY PELTZ: To my knowledge... well what
22 the retail food industry is doing is all voluntary;
23 beyond that I don't know, I'm not sure.

24 CHAIRPERSON JAMES: So is there any
25 enforcement mechanism or any fines associated with...

2 JAY PELTZ: With the MOU?

3 CHAIRPERSON JAMES: Yeah.

4 JAY PELTZ: Well they're voluntary, so...

5 [crosstalk]

6 CHAIRPERSON JAMES: No. No.

7 JAY PELTZ: I guess the risk is if you
8 don't... if Mass DEP thinks you're not... you're
9 basically walkin' away from it... [interpose]

10 CHAIRPERSON JAMES: Got it.

11 JAY PELTZ: you kind of... you know, you
12 kind of fooled them, then you're taking regulatory
13 risk at that point, right? So... [interpose]

14 CHAIRPERSON JAMES: And my question to
15 any of the panelists; what costs do you anticipate
16 will be associated with complying with this bill?
17 Has anyone estimated the cost?

18 JAY PELTZ: Actual numbers, dollars?

19 CHAIRPERSON JAMES: Yes, dollars.

20 JAY PELTZ: That... that I don't know.

21 JAMES VERSOCKI: No, it's hard to project
22 right now, but the concern is that the increase in...
23 fees from our standpoint; making sure...

24 JAY PELTZ: And... and the...

2 JAMES VERSOCKI: Oh I'm sorry. I said,
3 from the restaurant industry's perspective, we don't
4 have an overview of what the anticipated cost
5 increases are; we've only been doing the Food Waste
6 Challenge for about eight months...

7 CHAIRPERSON JAMES: Uhm-hm.

8 JAMES VERSOCKI: and we're just now
9 getting some statistics and data back on that; we'll
10 try to provide that as soon as possible, in
11 conjunction with the administra... [interpose]

12 CHAIRPERSON JAMES: But the objections,
13 from what I hear, a common refrain; the
14 infrastructure costs and primarily the date of
15 implementation.

16 JAMES VERSOCKI: Correct.

17 JAY PELTZ: And you know, David referred
18 to the sort of double hit from the two bills that are
19 before the Council, the capacity reduction...
20 [interpose]

21 CHAIRPERSON JAMES: Yeah.

22 JAY PELTZ: bill, so when you put those
23 together, if things don't go as planned, and they
24 often don't, even with the best of intentions...
25 [interpose]

2 CHAIRPERSON JAMES: Uhm-hm.

3 JAY PELTZ: you're looking at substantial
4 potential increases in hauling and tipping fees.

5 CHAIRPERSON JAMES: And do your member
6 stores; do they recycle, your restaurants,
7 establishments that you work with?

8 JAY PELTZ: Well yeah... [laughter] I mean,
9 well we... I mean it's sort of ironic; I mean we've
10 been recycling for decades, 'cause we have these
11 meat-rendering companies that show up and pick up the
12 meat scraps, the fat and the bone. We divert a lot
13 of food waste on a voluntary basis from landfills.
14 Many of our members have substantial food donation
15 programs; some of them provide food waste to farmers
16 [background comment]; some sell it, some provide it
17 for free; with some it's donations, and the meat-
18 rend... what goes on at a typical, traditional grocery
19 store in the city; a lot of the food waste is in the
20 meat department and a lot of that's being picked up
21 by rendering company. Well all of that is being
22 picked up by the rendering company.

23 CHAIRPERSON JAMES: Right.

24 DAVID BIDERMAN: Just to add to that; a
25 handful of the carters do provide food waste-only

2 collection at the moment and do bring that material
3 down to Delaware on a voluntary basis, because
4 customers demand it. That's different of course than
5 a comprehensive requirement that would, you know
6 capture a significant component of the waste stream
7 that would direct the carters to bring waste to
8 facilities that have not yet been sited, you know or
9 constructed and that's the concern. If that kind of
10 law is implemented... and again, just to be clear, we
11 favor organic diversion...

12 CHAIRPERSON JAMES: Sure.

13 DAVID BIDERMAN: it's really about
14 timing...

15 CHAIRPERSON JAMES: Timing.

16 DAVID BIDERMAN: but we want everyone to
17 understand that if we have to buy new trucks to
18 handle wet organic waste that's different from the
19 traditional rear load... [interpose]

20 CHAIRPERSON JAMES: Uhm-hm.

21 DAVID BIDERMAN: garbage truck, there are
22 costs associated with buying those new trucks and
23 everybody needs to understand the implications of
24 that.

2 CHAIRPERSON JAMES: But won't you realize
3 some savings as a result of... [interpose]

4 DAVID BIDERMAN: Over time there might be
5 some savings because material that used to be going
6 into... [interpose]

7 CHAIRPERSON JAMES: Sure.

8 DAVID BIDERMAN: the traditional truck is
9 now going into the food waste truck, but in the
10 interim, in the short-term you're still gonna have to
11 buy a new truck and there's gonna be some
12 transitional time when you're gonna be running
13 multiple trucks to the same facility to pick up waste
14 that you used to be picking up with a single truck.

15 CHAIRPERSON JAMES: And the
16 administration talked a little bit about the pilot
17 program, the unit in question; [background comments]
18 any thoughts on the testimony of the pilot program
19 and/or the unit reduction in vermin; fact that it was
20 limited space? [background comment]

21 JAMES VERSOCKI: Most of those units
22 right now; it's new technology and space constraints
23 are very difficult; anaerobic digesters in some
24 facilities, such as hotels are possible 'cause they
25 have the space to do them; there are some new

2 concepts about installing water-removing devices in
3 facilities, but again, it's very new and it's being
4 developed right now and has to be implemented and
5 invested in. So there's a general discussion about
6 these concepts...

7 CHAIRPERSON JAMES: Right.

8 JAMES VERSOCKI: but they have not been...
9 [interpose]

10 CHAIRPERSON JAMES: Tested.

11 JAMES VERSOCKI: flushed out, tested,
12 kicking the tires, which needs to be done and then
13 that goes to implementation [laughter]

14 CHAIRPERSON JAMES: And you also
15 indicated that this bill would apply to small
16 restaurants as opposed to large ones; that... is that
17 an unintended consequence or [background comments] is
18 that just a change in language or... [crosstalk]

19 JAMES VERSOCKI: I think there would have
20 to be a change in language, because right now it
21 covers two or more establishments... [interpose]

22 CHAIRPERSON JAMES: Uhm-hm.

23 JAMES VERSOCKI: that have 8,000 square
24 feet or... and this is just restaurants... [background
25 comment]...

2 CHAIRPERSON JAMES: Uhm-hm.

3 JAMES VERSOCKI: or... combined, or a
4 single unit with 7,000 square feet alone. Now,
5 promise; that's just... that includes everything, so it
6 could be the basement, it could be your storage
7 space; it's not addressing... it's just a random size
8 space and don't forget, different operations have
9 different food space, which goes to what Mr. Peltz
10 said, coffee shops could be covered by that, which
11 have very different organic waste streams than a
12 regular restaurant. You know so we've raised with
13 the administration some concerns about how you're
14 defining what a food service establishment is and who
15 should be covered. If you're gonna start off with
16 larger generators... [interpose]

17 CHAIRPERSON JAMES: Yeah.

18 JAMES VERSOCKI: we'd like to see that
19 language revised as well.

20 CHAIRPERSON JAMES: The industry
21 indicated that it would only apply to 5 percent of
22 businesses in the food industry.

23 JAMES VERSOCKI: That's what the
24 administration has said and we have... [interpose]

25 CHAIRPERSON JAMES: What do you say?

2 JAMES VERSOCKI: They have the data and
3 we don't; we question it though, because if it says
4 right now... a food service establishment with 7,000
5 square feet...

6 CHAIRPERSON JAMES: Uhm-hm.

7 JAMES VERSOCKI: I don't know what 7,000
8 square feet means. If I have to read that as a
9 regulator, my indication is is that that's all square
10 footage of the operation and if that's what's meant,
11 you're gonna cover a lot more than 5 percent.

12 CHAIRPERSON JAMES: Let me understand;
13 all of you agree with the basic principles of the
14 bill, right; well agree, right with Plan 2013..
15 [interpose]

16 DAVID BIDERMAN: Yes.

17 JAY PELTZ: Uh bu...

18 CHAIRPERSON JAMES: Go ahead.

19 JAY PELTZ: With the goal.

20 CHAIRPERSON JAMES: With the goals.

21 JAY PELTZ: Yeah, there are lots of
22 problems with the details.

23 CHAIRPERSON JAMES: With the details and
24 primarily it's timing; timing, capacity, space?

2 JAY PELTZ: And definition of covered
3 establishment.

4 CHAIRPERSON JAMES: And definition of
5 covered establishments. Okay. Thank you.

6 JAMES VERSOCKI: Thank you.

7 [background comment]

8 CHAIRPERSON JAMES: Besides
9 Massachusetts, are there any other jurisdictions in
10 the nation that we should look at?

11 JAY PELTZ: Well, Connecticut...

12 JAMES VERSOCKI: Right.

13 JAY PELTZ: yeah, it's a 20-mile radius,
14 that's their benchmark, their baseline, not 125...

15 [interpose]

16 CHAIRPERSON JAMES: Right.

17 JAY PELTZ: and they're doing it not
18 based on store size, but average weekly vol... just two
19 times; average weekly volume with two times.

20 CHAIRPERSON JAMES: But David, you would
21 want the jurisdiction to change to within 50 miles?

22 DAVID BIDERMAN: 50 was a number that we
23 were willing to offer, certainly a smaller radius
24 would also be acceptable; this was our effort to be
25 re... you know, try to work with the department to try

2 to reach compromise, but if the Council in its
3 wisdom, having looked at Connecticut or elsewhere
4 decide that a smaller radius made more sense, we
5 would certainly be open to that.

6 CHAIRPERSON JAMES: But if we change to
7 include a smaller radius, there are no facilities,
8 correct? [interpose]

9 DAVID BIDERMAN: Well there are no
10 facilities now, regardless of any radius less than a
11 120 miles; I mean there's only one 123 miles away..
12 [interpose]

13 CHAIRPERSON JAMES: 23, right.

14 DAVID BIDERMAN: and you don't wanna give
15 a monopoly to any one facility to take all of this
16 waste, which is why what we are suggesting is that
17 you require multiple facilities to be in existence
18 before the department can make the determination that
19 there's adequate capacity, whether that's within 25
20 miles or 50 miles, the carters can figure that out..
21 50 is acceptable; 25, honestly, would probably be a
22 little bit better... [crosstalk]

23 CHAIRPERSON JAMES: And... and...

24 JAY PELTZ: Right, and... and... I'm sorry.

2 CHAIRPERSON JAMES: No, go ahead; finish
3 your statement.

4 JAY PELTZ: Well that would require the
5 stakeholders with the financial upside; that they're
6 gonna get all this mandated demand to have some skin
7 in the game; they have to actually build some
8 facilities, right; show credibility... [interpose]

9 CHAIRPERSON JAMES: Right.

10 JAY PELTZ: and then we all know it's
11 there and then we know there's some channel to feed,
12 you know thousands of tons of waste into, as opposed
13 to, if you do the numbers in the bill, post July 1,
14 2018, the commissioner can't suspend implementation
15 anymore, right? Well what if at that point there
16 hasn't been an increase in capacity; what then?

17 CHAIRPERSON JAMES: And Mr. Biderman, you
18 indicated that if you had your druthers you would
19 support this legislation over Council Member Reyna's
20 bill, which attempts to reduce capacity in certain
21 districts, correct?

22 DAVID BIDERMAN: Absolutely. That other
23 bill... this bill achieves many of the goals that
24 Councilwoman Reyna wants to achieve.

2 CHAIRPERSON JAMES: And you would support
3 it as is, this, the current bill?

4 DAVID BIDERMAN: We support the concepts
5 in this bill; we would like to tweak the specifics
6 that I've mentioned that we've actually had fruitful
7 discussions with the department about, about timing...
8 [interpose]

9 CHAIRPERSON JAMES: Right.

10 DAVID BIDERMAN: timing and capacity.

11 CHAIRPERSON JAMES: Thank you gentlemen.

12 DAVID BIDERMAN: Thank you.

13 CHAIRPERSON JAMES: [background comments]
14 Next panel, and I apologize if I mispronounce your
15 name, Laura Rosenshine, Kenneth... Ken Diamondstone,
16 'kay, Orgon... Orno... [background comment] NYU and
17 Vandra.

18 [pause]

19 [background comments]

20 KEN DIAMONDSTONE: So good morning,
21 Councilwoman James and other members of the
22 committee. I'm here representing the Brooklyn Solid
23 Waste Advisory Board [background comments] regarding
24 Int. 1162; my name is Ken Diamondstone.
25

2 The Brooklyn SWAB is pleased to support
3 this measure. After many years New York City is
4 beginning to tackle both municipal food waste as well
5 as commercial organics. As advocates for zero waste
6 we have long sought for effective reuse of the
7 organics produced in New York City.

8 Int. 1162, when implemented will generate
9 biofuels to move us another step away from fossil
10 fuels, away from greenhouse gas-emitting landfills
11 and produce compost for community gardens for an
12 expanded network of rooftop and neighborhood farms,
13 as well as provide soil amendment and fertilizer for
14 commercial farms, landscape facilities and garden
15 centers as well. There is substantial composting
16 facilities for biosolids and yard trimmings in New
17 York State; at this moment, other than our local
18 [background comments] community composting resources,
19 there are only about 93,000 tons annually of food
20 waste composting capacity within 125 miles of New
21 York City. If we go a bit further to 170 miles we
22 can add another 172,000 tons of annual food waste
23 composting capacity, but this is far short of New
24 York City's potential need when Int. 1162 becomes
25 operative and indeed, much of that capacity may

2 already be utilized. So the question is; which will
3 come first, new capacity or implementation of Int.
4 1162? It seems neither can go forward alone.

5 We wonder what can be done to encourage
6 the needed expansion of composting facilities within
7 125 miles set forth in Int. 1162. Can existing
8 biosolid and yard trimming facilities be adapted to
9 receive some of the materials from New York City? Do
10 we know if such current facilities are currently
11 planned or underway? The Brooklyn SWAB thinks that
12 these are but some of the operational issues
13 generated by Int. 1162. And as for anaerobic
14 digestion, other than excess capacity at several New
15 York City waste transfer stations... I'm sorry,
16 wastewater treatment plants, there are no digesters
17 currently available to New York City private haulers
18 within 125 miles.

19 The Brooklyn SWAB urges the Council, EDC
20 and DSNY to study the efforts of Sacramento Clean
21 Cities; I think you asked earlier; are there any
22 other best practices, so we say that Sacramento Clean
23 Cities, to study the effort, for example, of best
24 practices in the development of digesters as a source
25 of biomethane from food waste.

2 As an example of on-site digesters, the
3 supermarket chain Kroger and one of its subsidiaries
4 in California has built a 55,000-ton per year
5 digester which is currently operating. More locally,
6 a new 300-ton a day anaerobic digester is in the
7 final stages of completion in Suffolk County.

8 Enforcement implementation of penalties
9 will be a key component of Int. 1162. The BIC only
10 employs a staff of 81 people and its mission is
11 somewhat different from that needed here, as other
12 missions of other agencies mentioned in the text,
13 enforcement strategies will be needed. I think that
14 the sanguine comments of some of the other speakers
15 about enforcement not being needed, I think may fall
16 short of the need.

17 As we wait for solutions to capacity
18 shortage, the Brooklyn SWAB urges the Council to
19 utilize local community advocacy groups, community
20 gardeners and composters, local not-for-profits;
21 local development corporations in the composting of
22 the organics generated by small commercial
23 establishments not included in 1162. There are
24 potential local jobs to be created if such local
25 entities were organized by the City into a coherent

2 system of collection; we would urge the Council to
3 consider amendment to Int. 1162 to that effect.

4 Just as we have begun focusing on how to
5 produce food locally, how to encourage distributor
6 energy locally, having legitimized local private
7 transit vans to augment the MTA, so too we hope there
8 is a role for local community groups to participate
9 in this undertaking.

10 Lastly, we hope Int. 1162 will be a
11 milestone in the effort to make New York City into a
12 more sustainable place to live. Thank you.

13 LAURA ROSENSHINE: Good morning and thank
14 you for this opportunity to speak to the Committee;
15 my name is Laura Rosenshine and I'm speaking on
16 behalf of the Manhattan Solid Waste Advisory Board of
17 which I am a member.

18 The point I hope to make today is showing
19 our support for the collection of commercial
20 organics. Recent studies have shown up to 31 percent
21 of residential waste stream is compostable and 18
22 percent of that is food waste. When food waste ends
23 up in landfills it creates methane, a harmful
24 greenhouse gas, 20 times more potent than CO2.
25 According to the EPA, landfills are the third largest

2 source of methane emission in the U.S., accounting
3 for a total of 17 percent of this country's methane
4 emission; 17 percent is way too high; it is avoidable
5 and it is time to stop looking at food waste as waste
6 and instead as a resource and a recyclable, because
7 it is. But in order for it to be a real beneficial
8 resource it has to be a source separating from other
9 recycling and other waste streams so that it can be
10 composted and the nutrients returned to the soil.

11 Composting is the most natural and basic
12 form of recycling and the Manhattan Solid Waste
13 Advisory Board thinks the City should support it.

14 My personal waste consulting experience -
15 - I have conducted waste characterization studies at
16 multiple commercial food operations and have found
17 that organics comprise between 45 and 74 percent of
18 the commercial waste stream, which in pounds
19 generated per day ranges from 400 to 900 pounds of
20 source separated organics collected in one day.
21 Another commercial business that contacted me for
22 organics collection reported generating 1200 pounds a
23 day, based on their own internal audits.

24 While each operation is different, it is
25 clear from just this handful of audits that the

2 source separation of organic waste has a huge
3 potential for increasing recycling and changing the
4 current routine associated with traditional waste
5 management. In many or most situations today's
6 organic collection requires a separate truck, which
7 means that participating restaurants could see three
8 to four different trucks stopped to collect their
9 waste nightly, a cardboard, a recycling truck,
10 compost truck, and waste truck, which when a sale
11 hard seems crazy, but is the current reality. While
12 this additional organic truck on the road is not
13 ideal, this legislation will also promote investment
14 in better on-site organics processing solutions,
15 local district solutions and community composting,
16 all of which are up and coming. Also it has the
17 potential to encourage better hauling practices that
18 could potentially mean organics collection would
19 occur daily, but recycling and refuse collection
20 could occur every other day or even less, getting
21 some trucks off the street.

22 SWAB also believes this legislation will
23 help increase its processing capacity for the
24 residential organics collection by spurring interest
25 from private investors for one or more large-scale

2 organics processing sites. This kind of option for
3 organics can mean fewer trucks going in and out of
4 transfer stations, in and out of the city and instead
5 going direct to local processors for beneficial use
6 and not to landfill or incinerator.

7 Commercial organics recycling will send a
8 more consistent message to people who live in New
9 York City that are serious about recycling and
10 serious about source separated organics, this linked
11 closely to why the City has invested in more public
12 recycling bins on our street corners and why we are
13 putting resources into recycling education in schools
14 and in advertising. In all, the City is striving for
15 consistent messaging.

16 SWAB believes that local is best, which
17 is why we have an annual community composting grant
18 program that last year funded 26 programs out of over
19 50 applicants representing all boroughs.

20 I could talk about the benefits of
21 composting for a long, long time and how we believe
22 that it has a potential to greatly change the
23 perception of waste in New York City and how local
24 processing of organics leads to amazing community
25 benefits through recycling engagement, outdoor

2 education and compost used in local green projects,
3 as well as a number of local economic and educational
4 opportunities. Voting for this legislation
5 indirectly shows support for all the other composting
6 issues throughout the city, all of which has social
7 and quality of life benefits.

8 However, back to commercial composting, I
9 also work for an in-vessel food processing technology
10 that is currently being piloted here in New York
11 City, but just to give you an idea of its potential,
12 we accept pre and post consumer food scraps,
13 including meat and dairy and our machines range from
14 300 to 3,000 pounds per day to be processed on-site
15 in an 18-hour process. For large generators these
16 technologies are the future and if legislation is
17 passed we believe the private sector will bring forth
18 new technologies which offer environmental,
19 operational and cost-saving benefits.

20 Lastly, on a personal note, I'm a born
21 and raised New Yorker and so I'm very passionate
22 about the sustainability of the city, but it was not
23 until three years ago that I even learned what
24 composting was. From my experience in the field so
25 far, I don't believe the majority of New Yorkers

2 understand the benefits and impacts of recycling and
3 I believe even less understand the benefits and
4 potential impact of composting, which is why I agreed
5 to testify today, because I believe that if more
6 people actually knew the facts, then there would be
7 significantly more support for this legislation.

8 OZGEM ORNEKTEKIN: Good morning

9 Chairwoman James and fellow Council Members, my name
10 is Ozgem Ornektekin and I'm the Director of the
11 Office of Sustainability at New York University; I
12 appreciate the opportunity to testify before you
13 today and to share some recent sustainability
14 initiatives, particularly waste diversion, at NYU
15 that we are especially proud of.

16 The mission of NYU's Office of
17 Sustainability is to empower, inspire and guide the
18 NYU community to enact and embrace sustainable
19 practices and behaviors in the ways we live, operate
20 and innovate. To accomplish our mission we set goals
21 in various areas, such as energy and climate, waste,
22 water, food, social, cultural, purchasing, etc. Our
23 most ambitious goals are: to reduce our greenhouse
24 gas emissions by 50 percent by 2017 from 2006 levels
25 and achieve carbon neutrality by 2040 and to reduce

2 our overall waste generation by 15 percent from 2011
3 levels and achieve 50 percent waste diversion rates
4 by 2017.

5 Currently NYU's waste diversion rate is
6 30 percent, which is higher than NYC average, but
7 short of our ambitions. I would like to share how we
8 currently manager our system to give you an idea.

9 We institute, we... by the way, have Action
10 Carting as our hauler... institute a single-stream
11 recycling program, which accepts everything except
12 Styrofoam and food -- and I'm sure you're gonna
13 handle Styrofoam on Monday -- employed organics
14 programs at all NYU dining halls, faculty housing
15 complexes, all NYU Law School buildings and Wagner
16 School of Public Policy building -- these are
17 academic buildings -- signed up with re-fashionNYC,
18 textile recycling program with DSNY and currently
19 have 11 of our buildings enrolled in the program. We
20 also launched a Green Apple Move Out program where
21 students donate all household items, clothes, etc.
22 when they move out of the residence halls in the
23 spring and this past May we diverted 50 tons of waste
24 from landfills with this program alone; enrolled in
25 DSNY's erase program in addition to what we had as a

2 our Technoscrap program and we also engage our
3 community through our outreach programs, such as
4 Sustainability Task Force, Sustainability Advocacy
5 Program for Office Greening, pledge campaign, eco
6 reps at residence halls and RecycleMania competition.
7 We also pilot book donation programs at select
8 academic buildings and we also fund innovative ideas
9 through our NYU Green Grants program. Our NYU Law
10 School buildings are very close to achieving our 50
11 percent waste diversion goal with their 45.4 percent
12 diversion rate, which consists of 7.3 percent
13 organics and 38.1 percent recycling.

14 However, we have an ever-changing student
15 population, with thousands of new students joining
16 NYU family every year; we have to constantly find
17 innovative ways to engage and retrain students about
18 the waste programs at NYU. If everyone does their
19 part, NYU has the potential to divert 90 percent of
20 its waste with the current programs in our buildings.

21 Since NYU doesn't have a defined campus
22 with walls around to contain the rules, our students,
23 faculty and staff have to constantly adopt different
24 rules in our NYU buildings and what's happening
25 outside our buildings. Therefore, developing

2 composting and recycling habits at NYU are extremely
3 difficult without citywide laws.

4 The commercial organics legislation that
5 you're evaluating today would help NYU achieve and
6 actually exceed its 50 percent waste diversion goals
7 by 2017, because this bill will allow businesses
8 around NYU's buildings to enroll in organics
9 composting which will allow our students, faculty and
10 staff to seamlessly apply their habits on and off
11 campus with consistent messaging, whether they're at
12 home, at school, in the office or shopping, enroll
13 more businesses in the program which will help reduce
14 NYU's disposal costs and allow us to expand organics
15 composting programs to eventually all of our
16 buildings where food waste is generated, provide
17 market incentives to build additional processing
18 capacity so our food waste doesn't go far, which
19 would help our greenhouse gas emissions goals with
20 reduced vehicle miles travelled while also creating
21 local jobs, spurring economic growth.

22 We also appreciate the help it will
23 create to reduce vermin issues, because food waste is
24 collected in separate containers designed for
25 organics collection as opposed to the bags on the

2 curb and it aligns with our sustainability mission,
3 of course, to empower, inspire and guide the NYU
4 community to enact and embrace sustainable practices
5 and behaviors in the ways we live, operate and
6 innovate.

7 For all these reasons NYU supports this
8 legislation as it stands, as NYC should continue to
9 strive to be among the leaders in environmental
10 public policy. Thank you for your time and will take
11 questions.

12 CHAIRPERSON JAMES: 'Kay Vandra.

13 VANDRA THORBURN: Good morning.

14 [background comment] My name is Vandra Thorburn and
15 I am the Founder and President of Vokashi Kitchen
16 Waste Solutions, a unique composting service in New
17 York City. Using the Japanese method of fermenting
18 food waste called Bokashi we provide the necessary
19 buckets and brand to help our customers and users
20 collect and ferment all of their food waste,
21 including materials not generally accepted at
22 traditional composting venues, like meats, dairy and
23 processed foods. Our service model is simple; we
24 collect your food scraps and process at community
25 gardens, public and private green spaces.

2 My first question is actually about the
3 Local Law 2010-042, which was the study of food waste
4 collection. Was this study every completed? The
5 target date was actually July 1, 2012 and according
6 to the law, Sanitation was to have studied some of
7 the challenges facing food waste collection in the
8 City; the study should have reviewed transfer
9 stations and other processing sites within a 300-mile
10 radius of the City; it also directed Sanitation to
11 explore opportunities for composting in the city,
12 including voluntary competing sites with the
13 possibility of expanding those sites and to do work
14 with one or more entity to explore developing new
15 sites in the city to handle composting waste. Has
16 that study been published and can we read it?

17 So meanwhile, composting has been moving
18 along and new laws have been introduced and
19 implemented; Local Law 77 this year requiring the
20 two-year pilot for residential organic collection is
21 underway there and new rules being heard that will
22 impact citations and today we're hearing testimonies
23 about Int. 1162.

24 So in addition, voluntary residential
25 compost drop-offs on community-based composting sites

2 are growing exponentially through the efforts and
3 support of Grow NYC. The six or seven community-
4 based composting initiatives are demonstrating the
5 capacity for managing food waste within the community
6 and providing some of the education to encourage
7 community acceptance and participation in recycling
8 activities. As I've testified before, I believe we
9 have a golden opportunity to develop and encourage
10 decentralized, community-based, medium-sized
11 composting facilities. With this move to focus on
12 commercial organic waste, wouldn't it be a good time
13 to think about all of the commercial organic waste,
14 not just the waste in the megabox facilities? What
15 about the thousands of small restaurants, the
16 bodegas, delis, bakeries, coffee bars, not to mention
17 all of the kitchen waste in building pantries, office
18 kitchenettes and cafeterias? So do we really have to
19 wait until 2015 before these smaller waste streams
20 can be collected?

21 As I have requested, where are the RFPs
22 with reasonable lead times that can accommodate
23 community-scale composting? Do we really have to
24 wait for the one or two megabox solutions for our
25 organic waste? Where is the legal and regulatory

2 support for innovative, local green jobs and
3 businesses to service this market? Collecting small
4 loads of contained organic material and processing in
5 neighborhood composting facilities that are permitted
6 sites could divert thousands of cubic yards of
7 material annually, providing modest investment
8 opportunities in the community.

9 As demonstrated by New York Compost
10 Project, hundreds of people are willing to
11 participate in composting activities; the volunteer
12 based of the project is enormous. Opening up compost
13 collection to neighborhood businesses would bring
14 income to expanding infrastructures using a variety
15 of low-cost in-vessel or low-tech anaerobic
16 digesters. Rather than waiting for the big box
17 solutions to manage this local waste, I'm requesting
18 that DOS and the City open up the opportunities for
19 establishing such facilities so we could use one of
20 many of the hundreds of community gardens as a focus
21 for absorbing some of the local food waste. But more
22 interesting is to allow for the development in M-1
23 zones of indoor compost facilities capable of
24 handling between 50 to 75 tons of material monthly;
25 again, using some of the medium-sized in-vessel and

2 anaerobic digestives that are out there and then
3 allowing some of this organic food waste to be used
4 as natural soil amendments and brownfields and toxic
5 sites.

6 And finally, with regard to the other
7 bill, 1170 that will significantly reduce the
8 capacity of transfer stations and some fear will
9 discourage source separated compost material as an
10 input, if there is no room for such green material it
11 could really hinder the growth of handling organics
12 and encouraging composting within the City. I
13 request that you amend the bill to exclude
14 compostable materials from the capacity calculations
15 as an incentive for them to accept this waste stream
16 and divert it from the landfills.

17 And finally, fermentation and
18 civilization are inseparable -- who said that?
19 [background comment] Where did you see that last?
20 On the Brooklyn Brewery wall. Fermentation and
21 civilization are inseparable. So as we all know, the
22 biggest challenge of urban composting is rotting
23 food, so fermentation is one of the, if not the
24 biggest answer and as I've stated before, I hope that
25 Sanitation will encourage the use of this method in

2 their pilots and allow for the application in small-
3 scale commercial collections. Thank you.

4 CHAIRPERSON JAMES: Thank you. Miss Or..
5 I'm sorry if I butcher your name, Or... [interpose]

6 OZGEM ORNEKTEKIN: That's o... Ozgem.

7 CHAIRPERSON JAMES: How do you pronounce
8 it?

9 OZGEM ORNEKTEKIN: Ozgem is the first
10 name... [crosstalk]

11 CHAIRPERSON JAMES: Ozgem. Miss Ozgem,
12 this bill would apply to NYU's cafeteria, correct?

13 OZGEM ORNEKTEKIN: Yes.

14 CHAIRPERSON JAMES: And in terms of
15 space, how would you deal with space storage?

16 OZGEM ORNEKTEKIN: We actually are doing
17 it right now, so it wouldn't make... [interpose]

18 CHAIRPERSON JAMES: Okay.

19 OZGEM ORNEKTEKIN: any difference for us;
20 it will actually help us, because our students will
21 be able to compost in our dining halls as well as
22 when they go out to a restaurant they could do the
23 same. Actually, once we got rid of Styrofoam from
24 our operations entirely... [crosstalk]

25 CHAIRPERSON JAMES: 'Kay. Okay.

2 OZGEM ORNEKTEKIN: so we have a lot of
3 dining halls; all we do is just compost and they
4 don't have trays, they don't... you know, reusable
5 forks, knives, etc., so we really don't have
6 recycling, we just have composting; in some of the
7 locations and where we have... so you just need bins
8 for that and that's it and they're collected in
9 closed bins and then they get rolled out at night and
10 they get picked up, so actually it's pretty easy.

11 In terms of the places where we're
12 selling items, not... you know, not cafeteria style...
13 [interpose]

14 CHAIRPERSON JAMES: Uhm-hm.

15 OZGEM ORNEKTEKIN: but more convenience
16 store style...

17 CHAIRPERSON JAMES: Uhm-hm.

18 OZGEM ORNEKTEKIN: all of the packaging
19 there is recyclable, so then we have composting and
20 recycling. But in other places, like academic
21 buildings where we're trying to also compost or the
22 residential, we have to provide landfill because
23 there is Styrofoam coming outside, so we have to
24 accommodate... [crosstalk]

2 CHAIRPERSON JAMES: So it's a daily
3 collection?

4 OZGEM ORNEKTEKIN: It's actually six days
5 a week.

6 CHAIRPERSON JAMES: Six days a week.
7 Okay.

8 OZGEM ORNEKTEKIN: Yeah... [interpose]

9 CHAIRPERSON JAMES: And...

10 OZGEM ORNEKTEKIN: we get picked up every
11 day... so this is another thing; we get picked up every
12 day for landfill...

13 CHAIRPERSON JAMES: Uhm-hm.

14 OZGEM ORNEKTEKIN: and for composting six
15 days a week, not seven, six days a week and then we
16 get recycling three days a week.

17 CHAIRPERSON JAMES: And the cost to the...

18 OZGEM ORNEKTEKIN: I actually don't have
19 those numbers with me... [crosstalk]

20 CHAIRPERSON JAMES: Okay.

21 OZGEM ORNEKTEKIN: but I can provide that
22 later. We make money from recycling... [interpose]

23 CHAIRPERSON JAMES: Uhm-hm.

24 OZGEM ORNEKTEKIN: we pay for landfill
25 and we pay a smaller fee for composting. [interpose]

2 CHAIRPERSON JAMES: And you make money
3 from recycling because of reuse?

4 OZGEM ORNEKTEKIN: Yes. So then, once we
5 get rid of Styrofoam we can actually... if I can switch
6 landfill bins to compost bins, because right now what
7 goes into landfill is food waste in academic
8 buildings, office buildings, etc.; then all I'll have
9 is recycling and composting, except for locations
10 like research labs and dental school, where we have
11 medical waste.

12 CHAIRPERSON JAMES: Any gardens... do you
13 use any of that compost for any of the gardens on
14 your campus?

15 OZGEM ORNEKTEKIN: We do have some
16 gardens that we do buy composting. So in the past we
17 used to send our compost to McEnroe Farm upstate...

18 CHAIRPERSON JAMES: Uhm-hm. Uhm-hm.

19 OZGEM ORNEKTEKIN: uhm...

20 CHAIRPERSON JAMES: How many miles away
21 is that?

22 OZGEM ORNEKTEKIN: I do not know...

23 [interpose]

24 CHAIRPERSON JAMES: Okay.

25

2 OZGEM ORNEKTEKIN: and that's a question
3 for Action.

4 CHAIRPERSON JAMES: Okay.

5 OZGEM ORNEKTEKIN: But the other one...
6 right now it's actually going to Delaware, because
7 the cost I think has been an issue there, so now it's
8 going to Delaware, but we do buy composting from
9 McEnroe Farms for our urban farm -- right now we just
10 started an urban farm behind Silver Towers, which is
11 on La Guardia and Houston Street... [crosstalk]

12 CHAIRPERSON JAMES: I've seen it. Uh-
13 huh.

14 OZGEM ORNEKTEKIN: Yeah, so we use
15 organic composting coming from McEnroe Farms and it
16 actually was really good, because it was closed loop;
17 we were sending our waste and getting our organic
18 composting back from them and then recently it has
19 changed.

20 CHAIRPERSON JAMES: But you don't use any
21 of your own composting?

22 OZGEM ORNEKTEKIN: No, we don't have on-
23 site... we don't have space for that. [crosstalk]

24 CHAIRPERSON JAMES: Okay. And any issue
25 with rodents?

2 OZGEM ORNEKTEKIN: No.

3 CHAIRPERSON JAMES: Okay. Miss

4 Rosenshine, can you talk a little bit about the
5 technology; where are we with regards to technology?

6 LAURA ROSENSHINE: So the technology that
7 I'm speaking about is also the technology that
8 Miss Balkan spoke about.

9 CHAIRPERSON JAMES: Okay.

10 LAURA ROSENSHINE: So we have two
11 installations in Manhattan, one at the
12 Intercontinental Hotel and one at a restaurant on
13 28th and Park Avenue and the City College pilot
14 stands... that we've done a food waste audit there;
15 we've provided drawings to the school and are
16 prepared to work with them on installation and
17 education and changing all their routines in back of
18 the house.

19 CHAIRPERSON JAMES: What would you say to
20 the last panel that had concerns about infrastructure
21 costs?

22 LAURA ROSENSHINE: It's very complicated;
23 I've only been in the industry for three years and I
24 have worked with haulers...

25 CHAIRPERSON JAMES: Uhm-hm.

2 LAURA ROSENSHINE: I think that the
3 challenges are there... [interpose]

4 CHAIRPERSON JAMES: Uhm-hmm.

5 LAURA ROSENSHINE: but this is... I mean
6 this is the right thing to do; we have to put our
7 resources in the right place and the on-site... we
8 tried to work with some of the haulers to say hey,
9 you should our technology because it will make your
10 hauling practices easier...

11 CHAIRPERSON JAMES: Right.

12 LAURA ROSENSHINE: and we haven't gotten
13 very far with them yet, but as part of the on-site
14 solutions... [interpose]

15 CHAIRPERSON JAMES: Uhm-hm.

16 LAURA ROSENSHINE: since we offer them at
17 a leased rate... I also have to work with the haulers
18 then to get the reduction of the current hauling
19 costs so that it's cost neutral or cost savings, and
20 it's very tough because the metrics out there are
21 pretty much nonexistent; they don't... you know, they
22 don't weigh what's leaving most facilities on a daily
23 basis and a lot of people want that information, but
24 it just doesn't exist and so the on-site technology
25 not only offers that ability for a local place to

2 know exactly what they're producing and what they're
3 recycling, but it also takes kind of the onus off
4 them to... whether or not their material is actually
5 making it to a compost facility, because haulers do
6 have a lot of challenges not only collecting it, but
7 getting it there and so processing on-site will allow
8 for people to take more responsibility for their own
9 organic waste and now have to trust other people with
10 it.

11 CHAIRPERSON JAMES: To Ken and to Vandra;
12 so obviously I wanted to... I've been trying to talk
13 with staff and with the administration; you know I
14 wanted to do a bill for community gardens and for
15 local composters and... 'cause I recognize that it's
16 economic development and it's local jobs and I know
17 all the work that you do in Brooklyn and throughout
18 the City of New York; I just want you to know that I
19 haven't forgotten about you and clearly, there are
20 some challenges with respect to amending this law to
21 include you and to capture you, so we cannot amend at
22 this point in time, but we are still engaged in
23 conversation and we do see you as a viable option
24 moving forward and I just wanted you to know that.
25 Any... go ahead.

2 [background comment]

3 VANDRA THORBURN: Thank you very much.

4 How could we get... I mean, how can we get onto...

5 [background comment] on... [background comment,
6 crosstalk]

7 CHAIRPERSON JAMES: And could you...

8 VANDRA THORBURN: How can we get onto
9 that... I mean, how can we get onto the agenda, because
10 you know, we've been... I appreciate your statement...

11 [crosstalk]

12 CHAIRPERSON JAMES: Right.

13 VANDRA THORBURN: actually, Tish, but
14 how... we just... you know, 'cause I'm sort of in never
15 never land here;... [crosstalk]

16 CHAIRPERSON JAMES: I know, you've been
17 here on a number of occasions and we continue to
18 make... [crosstalk]

19 VANDRA THORBURN: and I... I need some
20 help.

21 [background comments, laughter]

22 CHAIRPERSON JAMES: I know; we continue
23 to make you problems, but I think... we continue to
24 make you commitments and so we really need to have an
25 off the record discussion about how we can include

2 you and incorporate you as part of the agenda, either
3 as part of the City Council agenda or as the public
4 advocate's agenda; how 'bout that?

5 VANDRA THORBURN: How 'bout it?

6 CHAIRPERSON JAMES: How 'bout that?

7 VANDRA THORBURN: Thank you, love.

8 CHAIRPERSON JAMES: Thank you so much.

9 KEN DIAMONSTONE: Thank you.

10 CHAIRPERSON JAMES: Next panel.

11 COMMITTEE COUNSEL: We're gonna try to
12 squeeze a bunch of people on this one.

13 CHAIRPERSON JAMES: Oh, okay. Mike
14 Manna, Wayne Davis, Paul Sellew... I hope... I'm sorry if
15 I mispronounced your name... Grice [phonetic] is the
16 last name and Chris... Christina... apologize... this is
17 gonna be a large panel... Mary Cleaver, [background
18 comments]...

19 COMMITTEE COUNSEL: And then these two
20 are from the same organization; she just asked for
21 one.

22 CHAIRPERSON JAMES: and Jim Slanina and
23 also I think Dianne is with him, Dianne Pisarek,
24 which are from the same company and so we ask that
25 one representative speak. We have another committee

2 that's scheduled in this room at around 1:00 and we
3 have how many more panels?

4 COMMITTEE COUNSEL: One more after this.

5 CHAIRPERSON JAMES: Okay, so we could do
6 this. So you could choose amongst you... okay.

7 [pause]

8 I don't think it's on.

9 PAUL SELLEW: Yes, it's on... is it on now?
10 Yes. So thank you for allowing me to testify and my
11 name is Paul Sellew, I am Founder, Chairman; CEO of
12 Harvest Power, we're a large-scale organics recycling
13 firm, recycling over 2 million tons a year of
14 organics throughout North America and I'm here in
15 support of the legislation 1162.

16 Harvest Power is a next generation
17 organics recycling company; we have operations across
18 North America and about 15 sites in and around the
19 New York City metropolitan area, but none within the
20 five boroughs at this point in time.

21 CHAIRPERSON JAMES: How far away?

22 PAUL SELLEW: New Jersey; Connecticut.
23 So we're strong supporters of organics recycling; we
24 have a toolbox approach as far as our technology
25 platform and it is composting; we're probably, you

2 know if not, one of the largest composters certainly
3 in North America and also anaerobic digestion, where
4 we have a number of facilities that are basically
5 processing large amounts of organic material, such as
6 food waste derived from urban cities, not in New York
7 City, but in other cities around North America.

8 So we basically find the highest and best
9 use for these organic materials and everyone is
10 familiar with the statistics; I believe it's over 97
11 percent of the food waste is still mixed in with the
12 garbage today throughout our country and for the most
13 part it's going to landfills where the... really the
14 thing that is not well understood is that most of
15 that food waste rots within the first three to five
16 years in a landfill and that's before they end up
17 having the methane recovery in place, so in fact it's
18 the largest supplier of methane, which is a very
19 powerful greenhouse gas landfill emissions in the
20 United States right now. What doesn't end up in a
21 landfill ends up in an incinerator and when you're
22 talking about a moisture content of 90 percent, you
23 don't generate any energy, you generate ash, which
24 ends up in a landfill.

2 So we feel that the status quo is not
3 sustainable, we commend the City of New York for
4 doing this and I've been in this business for close
5 to 30 years and so from that standpoint I was doing
6 this prior to when yard waste was banned -- leaves,
7 grass and brush -- and about 70 percent of the states
8 in our country right now are banning yard waste from
9 being accepted at landfills and incinerators, so I
10 remember the debates going back 20 years on yard
11 waste and what's happened now, from a few hundred
12 composting facilities, we have close to 4,500, maybe
13 even 5,000 which basically have been created over
14 this time period to deal with these organic materials
15 and one of the great things that's happened is that
16 it's basically now being handled at much lower cost
17 than the conventional MSW or garbage tipping fee, so
18 I think it's a great example of an organics recycling
19 industry that has been created. We look at food
20 waste now is where yard waste was 20 years ago and so
21 we commend the legislation you're putting into effect
22 here, hopefully, if this passes, because the chicken
23 and egg problem is a real problem and we need to have
24 innovative, progressive communities like New York
25 City to do these things and if you look back and see

2 what's happened in yard waste, the private sector,
3 along with many municipal operations have been built,
4 composting these materials and I think the same thing
5 will occur with food waste and in addition to
6 composting you have the opportunities around
7 anaerobic digestion, which then you have the ability
8 to produce renewable energy, as well as a fertilizer
9 or compost-based product at the end.

10 So in conclusion... I'm not gonna read my
11 whole testimony... we're very supportive; it sends an
12 important signal to the market that these organic
13 materials are gonna be available, so the private
14 sector has to step up. From the standpoint of
15 Harvest Power and our over 600 employees, I mean
16 we're certainly very excited and it's a great market
17 signal that by New York City doing this and we're
18 prepared certainly to commit capital to build the
19 necessary infrastructure that we feel is gonna be
20 required.

21 CHAIRPERSON JAMES: So if we build it
22 they will come or if they come we will build it?

23 PAUL SELLEW: If you legislate,
24 [laughter] we will build it. [laughter] Thank you.

25 [background comment]

2 CHRISTINA GRACE: Good morning. My name
3 is Christina Grace and I am here today representing
4 my Food Systems Consultancy, New Territories and my
5 client, Related Companies. Thank you so much for the
6 opportunity to speak about the importance of Int.
7 1162 and I am going to apologize in advance for
8 having to speak and run, but first, we very much
9 applaud the administration and the bill sponsors for
10 your efforts to divert organic waste from landfills
11 and we strongly support these efforts and the
12 legislation. I'm not gonna spend any time talking
13 about the issues because we've heard a lot of folks
14 today talk about why this is so critical and the
15 impact that organic waste is having on the
16 environment.

17 Related Companies is currently underway
18 on Hudson Yards, a 22-acre, \$12 billion mixed-use
19 project that is intended to be leading edge and
20 future-ready; it's on the west side of Manhattan, and
21 for example, the North and South Towers in this
22 development in a commercial super block will achieve
23 lead certification and these will be the most energy
24 efficient towers in Manhattan. So as part of the
25 sustainability strategy we're designing for the

2 convenient separation of organic waste. We recently
3 wrote the City, requesting its support in developing
4 approvals pathway, which Elizabeth spoke about, for
5 an organic waste management system that transports
6 food waste directly from commercial kitchens to a
7 composting container where it's converted into a
8 fertilizer that could be anywhere from 15 to 10
9 percent of its original weight and volume; Laura also
10 spoke about this, and this intended for use in the
11 restaurants, food kiosks and corporate cafeterias
12 across multiple buildings at Hudson Yards.

13 We're also designing the residential
14 towers with three waste and recycling chutes
15 accessible on every floor and one of the chutes is
16 intended for organics; it will have a wash-down
17 system and we are getting ready for this legislation.

18 And I can speak a little bit; we've heard
19 about the savings in terms of hauling costs for those
20 systems, but we're also looking at the fact that
21 because the waste is moving from the kitchen to a
22 processing system and directly out the door at the
23 loading dock, there's labor savings and also, when
24 you have wet waste, your organics mixed in with your
25 garbage, you have to refrigerate that and when you're

2 looking at these buildings in Manhattan that look at
3 space at anywhere from \$3-500 a square foot and
4 they're spending that refrigerating trash and they
5 could be doing something else with it; they see cost
6 savings there as well.

7 So we began designing for organic waste
8 separation in advance of the Mayor's stated goals on
9 this topic, as we saw the trend of legislation moving
10 across west coast cities and now in Massachusetts and
11 Connecticut and businesses like Whole Foods, Hearst,
12 Bank of America and others sorting waste in their
13 facilities right here in New York City already. The
14 Time Warner Center, another Related Companies
15 property, is already using a compacter for organic
16 waste and has been segregating for several years
17 there.

18 And based on our own property review; I
19 mean we've heard a lot today also about the
20 challenges and how difficult this will be, but we
21 believe that most of the inconvenience of organic
22 waste segregation to businesses can be solved for the
23 establishments covered by this legislation through
24 system retrofits, through innovative technologies and
25 obviously through building the infrastructure that we

2 really need to see here in the city and we believe
3 that the legislation is gonna drive the building of
4 that infrastructure, it's not just gonna happen on
5 its own. But we do also understand the challenges
6 and if we were to make any comments about this
7 legislation it would be that we need to look at the
8 compliance timeline along with infrastructure, but
9 that infrastructure are these larger facilities, it's
10 the smaller systems, it's community gardens, it's
11 composting facilities in neighborhoods; it's a whole
12 host of things; it's not just these mega facilities,
13 and we are very committed at Related to see if the
14 fertilizer that we're creating with our systems can
15 actually stay here and be used in the city and not
16 move on and be pulled out to Delaware to just go in
17 with other organic waste.

18 So in closing, keeping organic waste out
19 of landfills is an essential step for curtailing the
20 growth of greenhouse gas emissions, more landfills
21 and the cost of carting waste. We hope the Council
22 will pass this legislation and move us towards a
23 greener future by effectively seeding an organic
24 waste management industry that is sorely needed in
25 New York City. Thank you.

2 CHAIRPERSON JAMES: So Miss Grace, before
3 you leave... so basically you support the restaurant,
4 the businesses that testified earlier, in extending
5 the effective date?

6 CHRISTINA GRACE: We would support that;
7 we would support the legislation as is, but we
8 understand the challenges and we have plenty of
9 buildings that will need to be retrofit, so we would
10 support that as well.

11 CHAIRPERSON JAMES: Thank you Miss Grace;
12 have a good day.

13 CHRISTINA GRACE: Thank you very much.

14 CHAIRPERSON JAMES: Next.

15 DIANNE PISAREK: Thank you. Good
16 afternoon. I'd like to thank Chairperson James and
17 all the Council and Committee members for the
18 opportunity to talk to you today about EnviroPure
19 Systems in support of Int. 1162. I am joined today
20 by Jim Slanina, President of Enviro Systems and I am
21 Dianne Pisarek, Principal of Evo Market Solutions, a
22 national distributor for EnviroPure with a presence
23 here in New York.

24 EnviroPure Systems are organic food waste
25 decomposition systems that convert food waste

2 aerobically into gray water in 24 hours. EPW systems
3 handle virtually any kind of food waste, including
4 vegetables, fruits, meat, fish, poultry, dairy
5 products, bones, shells and pits. The system is
6 fully automated and self-contained, an all-natural
7 nontoxic micronutrient catalyzes and speeds the
8 growth of naturally occurring bacteria to hyper
9 accelerate the decomposition process and achieve the
10 24-hour success. Grinding, stirring and continual
11 oxygenation within the vessel ensures fully aerobic
12 decomposition. A wastewater pretreatment process
13 occurs during this same 24-hour period.

14 The resulting byproduct after the
15 treatment process is clean, gray water that can be
16 used for landscaping or simply put into a sewer
17 system. The fluid has been independently tested and
18 verified to contain biological oxygen demand results
19 in a 30 mg per liter range, less than 10 mg per liter
20 of fats, oil and grease and less than 30 mg per liter
21 of total suspended solids. These results are
22 significantly below the North American standards set
23 for sewer discharge, including the limits set for New
24 York City. At a cost of approximately one-and-a-half
25 cents per pound of food, the micronutrient additive

2 is significantly less expensive than the cost of
3 waste removal, generating an impressive ROI.

4 These systems are conveniently located on
5 premises and easily maintained. There are no odors,
6 no sludge buildup and no system cleanouts required.
7 Units operate continuously, so there's no need to
8 temporary store putrescible waste, thereby avoiding
9 on-site storage costs, waste-related odors and vermin
10 issues.

11 EnviroPure units can be sized to
12 accommodate any food size operation, from a small
13 restaurant generating 120 pounds of food waste per
14 day to large shopping malls or casinos generating
15 8,000 pounds per day. Units can be custom built to
16 any dimension for placement inside or outside an
17 establishment to leverage available space.

18 It should be noted that larger units can
19 also be used by private carters and others to cost-
20 effectively establish processing capacity for organic
21 waste digestion; in fact, a 14,000-pound per day
22 unit, so 7 tons per day, is going in as we speak at
23 Niagara Falls.

24 Importantly, this market-proven
25 technology is already available now to help the

2 success of Int. 1162; it is also well-positioned for
3 growth. EnviroPure is owned by T&S Brass, who's been
4 serving the commercial food service industry since
5 1947; this ownership ensures strong capitalization,
6 ongoing innovation, quality manufacturing and
7 national sales and customer support.

8 We commend the authors of this propose
9 Local Law and strongly support passage. We believe
10 that EnviroPure Systems, along with other solutions,
11 can help New York City meet its 75 percent waste
12 diversion goal and its 30 percent greenhouse gas
13 emission reduction goal. To that end we ask the
14 Council to consider the many benefits that the
15 EnviroPure technology can offer and to amend the
16 working of Int. 1162 to include aerobic as well as
17 anaerobic digestion. Thank you; we're open to
18 questions or requests for any additional information.

19 MIKE MANNA: Good afternoon; thank you
20 Chairman James and I would like to thank the Council
21 for inviting me to speak and having the opportunity.

22 I'm here today representing the United
23 States Composting Council and my name is Mike Manna
24 and I am the Managing Director of Organic Recycling
25

2 Solutions, which is a company that's focused on
3 development of food waste recycling.

4 As I mentioned, I serve on the Board of
5 the United States Composting Council and in that
6 capacity I'm here today to speak.

7 The United States Compost Council is
8 pleased to support this mandatory separation and
9 collection of food residuals from commercial
10 generators in New York City. The Council is a
11 national trade association of compost manufacturers
12 and allied professionals and we strive to provide a
13 unified voice for a growing industry.

14 United States Compost Council strongly
15 endorses the approach laid out in the proposed rule;
16 it has been well documented that in each year New
17 York City generates an average of approximately
18 400,000 tons of food waste; of this, approximately 75
19 percent is generated by private business; therefore,
20 starting with this sector that the rule speaks of
21 totally makes sense, and while there are thousands of
22 small restaurants in New York City, clearly the bulk
23 of the food waste is generated from large
24 restaurants, arenas and other establishments that are
25 the focus of this proposal. These establishments

2 will also have a greater capacity to adapt to the new
3 requirements. This proposal is also in line with the
4 approaches to increase organic recycling currently
5 being undertaken by nearby states such as
6 Massachusetts and Connecticut. By requiring
7 separation and recycling of this wasted resource the
8 City, along with those other states, are assuring a
9 stream of feedstock and necessity for services that
10 the private sector will be eager to fill. We are
11 confident that the timeline and the extensions built
12 into the proposal will be adequate to allow the
13 development.

14 I stated earlier; my focus is in the
15 development of food waste recycling; I've spent in
16 excess of 15 years devoted to reducing waste at its
17 source through recycling. I've been part of a number
18 of very successful food waste recycling programs
19 throughout the country and I've seen great strides in
20 this emerging industry. This work's not only for
21 generators in reducing cost through reduction, but it
22 also works for the whole waste-hauling community,
23 along with the composting and alternative energy
24 industry in terms of growth and most off all, in
25 terms of green jobs.

2 In closing I would like to share my goal
3 and that of the United States Composting Council,
4 which is to encourage growth in the composting and
5 organic recycling infrastructure in the United
6 States. The development of a strong recycling
7 infrastructure requires a demand for service, a
8 supply of raw materials and a demand for recycled
9 products. We as industry experts can help educate
10 operators of compost facilities and we can educate
11 consumers on the benefits and the uses of compost,
12 but we need governments such as this to enact
13 policies to drive raw material away from disposal.
14 The proposed rule will do that for New York City; we
15 believe that it will spur regional capacity
16 development and that it will make it cheaper and
17 easier for others in the region to divert their
18 resources to a higher and better use. It is my firm
19 belief that if we build it, it will come and I also
20 believe that if it will come, we will build it.
21 [laugh] So I ju... thank you. Thank you.

22 WAYNE DAVIS: Madame Chairman,
23 [background comment] thank you for the opportunity to
24 speak in support of Int. 1162. My name is Wayne
25

2 Davis; I'm here speaking today as Chairman of the
3 Board of Directors of the American Biogas Council.

4 The American Biogas Council or the ABC is
5 a trade... [interpose]

6 CHAIRPERSON JAMES: Is the microphone on?

7 WAYNE DAVIS: Yes... okay. The American
8 Biogas Council is a trade association that represents
9 190 organizations dedicated to maximizing the
10 production and use of biogas from organic waste. Our
11 members include anaerobic digester developers and
12 builders, engine and turbine manufacturers, farmers,
13 wastewater utilities, landfill operators, engineering
14 and law firms, the entire supply chain. The ABC,
15 along with the U.S. Composting Council joins in
16 endorsing the goals of 1162. We think that this is
17 the right policy to begin the process in New York
18 City that will generate the organic waste streams
19 that will promote investment. We agree with the
20 prior speakers and I'm sure other speakers will tout
21 the environmental benefits; absolutely the right
22 thing to do. Certainly from our experience I know at
23 my own company as well as other member companies of
24 the American Biogas Council, a critical, critical
25 aspect as we try to get new projects off the ground

2 is that potential investors, both in terms of equity
3 and debt investment in projects, need to see
4 assurance that the waste stream, the feedstock enter
5 anaerobic digesters will be there. Just as
6 Mr. Sellew spoke about how the legislation helped
7 drive the growth of the composting from yard and leaf
8 waste, we believe that by this type of legislation
9 being adopted in New York City, as well as elsewhere,
10 that will provide the assurance to the potential
11 project developers and to their lenders and equity
12 investors such that the money will be there, so if
13 you legislate, we do believe the capacity will be
14 built.

15 Now in my role as chairman of the
16 American Biogas Council, I'm personally familiar with
17 much of the legislation at state and local levels, as
18 well as provincial and local levels in Canada and so
19 I'd like to share some of that perspective in talking
20 about Int. 1162.

21 First I would congratulate both
22 yourselves and the administration; there are a number
23 of key details in this legislation that you have
24 gotten right in comparison to other legislation that
25 has either been adopted or considered.

2 First, Int. 1162 identifies a set of
3 large generators of organic waste to whom the law
4 will apply; the obvious question is: Okay, so what
5 constitutes a large generator? Now as we heard
6 earlier, most other jurisdictions have answered this
7 question by setting a volume threshold in terms of
8 tons generated per week or year. That sounds easy
9 and simple, but as a speaker on the prior panel
10 highlighted, most generators don't actually know
11 exactly how much they're generating each week and how
12 much of that is organics; it's actually a fairly
13 difficult standard to apply.

14 What Int. 1162 does is it relies on
15 easily verifiable, objective standards -- square
16 footage in various facilities, seating capacity for
17 arenas, sleeping rooms in hotels -- those are numbers
18 that are easily ascertained. I do take the point
19 that there may need to be some refinement -- are you
20 including all of the area in a restaurant or only
21 front of house -- those sorts of technical
22 refinements absolutely should be taken into account;
23 you do wanna work with industry to make something
24 that is implementable, but I think the basic concept

2 you absolutely have gotten right and you're setting
3 an important precedent for other jurisdictions.

4 Second, these particular standards were
5 based on detailed studies of the average waste
6 generated by the various types of establishments; on
7 average those standards work out to about one ton of
8 waste per week; that will be a lot of material,
9 amounting to some 3-400,000 tons per year, or about a
10 third of New York's current commercial flow; that is
11 enough to make a big dent in the problem you're
12 trying to address and it's also a plenty big target
13 to attract significant private investment, so I think
14 you've gotten that about right.

15 Another thing that Int. 1162 gets right
16 is that it does give waste generators flexibility in
17 meeting the diversion requirements, either through
18 on-premises processing or by contracting with a
19 private carter. That flexibility creates the
20 opportunity for the private market to respond,
21 whether it's for on-premises systems such as we've
22 just heard about or off-premises systems provided by
23 anaerobic digesters and composters and that's good
24 policy and good business to provide those range of
25 opportunities.

2 Third, Int. 1162 wisely puts shared
3 responsibility for compliance on both the waste
4 generator and private carters by subjecting both
5 parties to enforcement action. Now we would agree
6 with the comment from the Restaurant Association that
7 education as a first step is always the best route
8 and we would not say go find people right away, but
9 you do need to have that enforcement stick. Now it's
10 a good thing to put that enforcement on both the
11 generators and on the waste haulers, we've seen in
12 some other jurisdictions that the enforcement only
13 applied to the waste haulers; the challenger there is
14 that that puts the haulers in a conflict situation
15 with the generators where they feel like, oh well, we
16 have to be the cops on behalf of the state. The Int.
17 1162 approach is a very wise one; it puts them in the
18 same boat and I think that that will be good policy
19 as well.

20 Finally, Int. 1162 gives the commissioner
21 the authority to delay implementation for periods of
22 up to 12 months, not exceed a total of three years if
23 the commissioner determines that there is
24 insufficient capacity. We believe that that
25 flexibility is necessary and sufficient. Now a

2 couple of things; in terms of the actual
3 implementation date, I think we would agree that 2015
4 is awfully aggressive and optimistic; while we
5 support the legislation as is, we would not be
6 opposed if on further consultation that initial
7 implementation date is pushed back a reasonably short
8 period of time. You don't wanna go too far out
9 because you need to send... [interpose]

10 CHAIRPERSON JAMES: [background comment]

11 WAYNE DAVIS: Beginning of 2017 would
12 probably be reasonable. I have not consulted with
13 the rest of my association, so I can't, you know
14 speak conclusively on behalf of them, but my personal
15 opinion, it would not be unreasonable.

16 I would point out though, there... you've
17 heard some request for the flexibility for the
18 commissioner to be extended out five years; we would
19 strongly disagree with that. The problem with giving
20 that great flexibility is that it will create
21 uncertainty for investors and they will say, okay,
22 well is it actually going to be implemented in 2017
23 or is it 2022? That's too much variability and will
24 actually discourage investment, so we would... no
25 matter what you do with the initial implementation

2 date, we would urge you to keep the three-year
3 flexibility with one-year increments; we think that's
4 a wise policy.

5 On behalf of the American Biogas Council,
6 we would certainly accept the chairman's offer to all
7 the stakeholder to work with you to further refine
8 this law; we think it's a great start and we think
9 with a little bit of fine-tuning you'll have a law
10 that New York and the rest of the nation will be
11 proud of.

12 CHAIRPERSON JAMES: Thank you Mr. Davis.
13 Do the rest of the panelists agree that the
14 implementation date should be extended? What are you
15 thoughts?

16 PAUL SELLEW: I think the legislation as
17 proposed is acceptable.

18 MIKE MANNA: And I would agree with that
19 also.

20 CHAIRPERSON JAMES: Okay. And to Miss
21 Pisarek; did I say that correct? Is anyone currently
22 in New York City utilizing this product? Are...
23 [interpose, background comment] yeah... [background
24 comments] Marist College? [background comments]
25 God's Love We Deliver? [background comment] Uhm-hm.

2 Uhm... [interpose, background comment] And in your
3 testimony you indicated that the byproduct of this
4 can be discharged can be discharged into our sewer
5 system? Really? [background comments] And it's
6 permitted? [background comments] It's significantly
7 below the limits? [background comments]

8 Interesting. Okay. I think those are all of the
9 questions that I had and... [background comment] I'm
10 sorry. I apologize... [crosstalk]

11 MARY CLEAVER: Thank you. That's okay.

12 No, there's a lot of people on the panel.

13 Thank you Chairwoman James and members of
14 the Council for your time today. I'm here in support
15 of Int. 1162; I'm the Founder and Owner of The
16 Cleaver Company, which is a full-service event
17 planning and catering company... [crosstalk]

18 CHAIRPERSON JAMES: Uhm-hm.

19 MARY CLEAVER: and The Green Table, one
20 of the city's first farm to table restaurants. My
21 space is about 4,500 square feet and we are members
22 of the New York State Restaurant Association. For 35
23 years I've been running a food business in New York
24 and I've focused on the health of our food, where our
25

2 food comes from and how the food was grown or raised;
3 equally important is where the food goes.

4 At The Cleaver Company and The Green
5 Table we consider the waste stream in our purchasing
6 and production process and are committed to reducing
7 waste in our kitchen and at our events. We are
8 members of the Food Waste Challenge and we did cater
9 the energy conference at the Times Center in April
10 when Mayor Bloomberg announced it. I have always
11 operated my business with a triple bottom line in
12 mind -- people, planet and profit.

13 We have been composting waste from events
14 and from the restaurant for many years, but it was
15 not always easy. After moving the business from
16 Tribeca to the Chelsea Market in 1996, it took me 11
17 years of lobbying to be allowed to have a composting
18 pickup service. Early on I found a carter to take
19 our compost to a facility in New Jersey, but the
20 carter was not allowed in the market because of
21 preexisting contracts in the building, so that was a
22 lesson in navigating the commercial carting
23 landscape.

24 In 2007 we started working with what is
25 now known as Action Carting and since then we've had

2 compost pickup six days per week. Running a food
3 business as a low to zero waste operation requires
4 careful purchasing and we try not to overbuy or
5 overproduce; we pay attention to ripeness and
6 spoilage and keep track of the contents of our walk-
7 in; we use leftover food for family meals and donate
8 to shelters and soup kitchens, but there is always
9 some amount of food waste, byproducts of food
10 preparation and service, such as peelings and bones,
11 as well as, of course prepared food that goes
12 uneaten, but rather than going into a landfill it
13 should be composted and turned into useful, valuable,
14 organic matter and renewable energy.

15 Food service establishments should care
16 about this, New York City sends four million tons of
17 waste to the landfill every year and one-third is
18 food waste, 1.3 million tons of wasted food. New
19 York City restaurants generate close to half-a-
20 million tons of that food waste and just as chefs can
21 influence the progressive development of a healthier
22 food supply and vibrant regional food and farm
23 economy, chefs can also help to create a more
24 environmentally sustainable waste stream, but we need
25 the infrastructure in place to make this process

2 possible for more businesses. Currently we pay 6.21,
3 \$6.21 per 100 pounds for landfill waste and \$3.31 per
4 100 pounds of compost, so it makes economic sense for
5 me as a business owner as well. Our costs are going
6 up because of tolls, apparently, so the closer we can
7 have composting the better. It's gotten easier to
8 get the pickup and there are five commercial haulers
9 now in the city offering the service and of course,
10 these industrial composting machines you've heard
11 about today.

12 CHAIRPERSON JAMES: Yeah.

13 MARY CLEAVER: Climate change is here,
14 it's a reality; the decomposition of those tons of
15 food waste in landfills creates methane, a harmful
16 greenhouse gas, and we should be turning food waste
17 into renewable energy and nutrients, not greenhouse
18 gases. To be clear, there are extra steps involved
19 in separating food waste from landfill waste; staff
20 must be properly and consistently educated and it
21 does take discipline to keep the effort up in the
22 kitchen. Consumers, eaters need to be educated as
23 well, but with the incredible increase in
24 participation at green markets compost collection,
25

2 other neighborhood efforts, it is clear that New
3 Yorkers are getting onboard with reducing food waste.

4 And just to be clear as well, it doesn't
5 take extra space at all in our kitchen, it's just
6 separation of the waste stream. [interpose]

7 CHAIRPERSON JAMES: Right. Right.

8 MARY CLEAVER: So it's time for the
9 commercial food sector to get fully onboard.
10 Innovative public policy along with support and
11 encouragement from New York City can go a long way in
12 changing behavior; we must become part of the
13 solution by reducing landfill waste and increasing
14 demand for compost collection and advancing the
15 infrastructure to support it.

16 CHAIRPERSON JAMES: Thank you.
17 Mr. Manna, you indicated in your testimony, you
18 talked a little bit about Massachusetts and
19 Connecticut; someone earlier said Massachusetts was
20 voluntary; is that the same... [crosstalk]

21 MIKE MANNA: It... it's currently... it's
22 currently voluntary; it's my understanding that as of
23 July, I think Paul; is it?

24 PAUL SELLEW: July, yeah.

2 MIKE MANNA: July 1, 2014 it will be
3 mandatory; there's a law that's being put in place.
4 I was just up in Massachusetts for the last month
5 conducting waste characterizations for some large-box
6 stores who are preparing to abide by the mandate, so...
7 [interpose]

8 CHAIRPERSON JAMES: And is there
9 enforcement provisions within that bill in
10 Massachusetts? [interpose]

11 MIKE MANNA: I'm sorry, that I don't
12 know; I think you might be able to address that.

13 WAYNE DAVIS: It's actually done by
14 regulation; the Department of Environmental
15 Protection in Massachusetts has broad legislative
16 authority to add new materials to the list of
17 materials banned from landfill and incinerator
18 disposal and so it's just an amendment to existing
19 regulations, so all the existing enforcement for any
20 type of recyclable would be applied to this.

21 CHAIRPERSON JAMES: And In Connecticut,
22 is it mandatory or is it...

23 MIKE MANNA: Yes, it is actually, but
24 they based it on capacity, so what... basically what
25 their mandate will state is that once there is enough

2 capacity in the state to manage the material, any
3 facility, in any commercial facility, any food waste
4 generate that generates more than 100 and...

5 [crosstalk]

6 WAYNE DAVIS: 104 per year.

7 MIKE MANNA: I believe it's 104 tons per
8 year, must comply and it is within a 20-mile radius.

9 CHAIRPERSON JAMES: And in both of those
10 states, what infrastructure do they use; what
11 technology is available?

12 MIKE MANNA: Well there is a number of
13 compost facilities that are currently operating in
14 the state that it permitted... [interpose]

15 CHAIRPERSON JAMES: Uhm-hm.

16 MIKE MANNA: to accept food residuals and
17 there are more companies on their way... [interpose]

18 CHAIRPERSON JAMES: Right.

19 MIKE MANNA: As was stated from Paul
20 Sellew and of course the American Biogas Association,
21 you know, a mandate such as this...

22 CHAIRPERSON JAMES: Uhm-hm.

23 MIKE MANNA: will help to entice
24 investors to make the commitment, the financial

25

2 commitment to build facilities to manage this
3 material.

4 CHAIRPERSON JAMES: And besides the lack
5 of infrastructure, do you see any other impediments
6 in New York City other than culture, I mean?

7 [crosstalk]

8 MIKE MANNA: Well... well, again, you know,
9 as mentioned by other panes and certainly in this
10 panel...

11 CHAIRPERSON JAMES: Uhm.

12 MIKE MANNA: it takes education.

13 CHAIRPERSON JAMES: Got it.

14 MIKE MANNA: Education, in my opinion, is
15 one of the most important things that we need to look
16 at. In my role, in my daily role I monitor for
17 compliance... I mean I will tell you that currently
18 there's well over 200 supermarkets at this current
19 time...

20 CHAIRPERSON JAMES: Uhm-hm.

21 MIKE MANNA: recycling their food waste
22 throughout New Jersey, Pennsylvania and some in New
23 York and they're finding it to be financially sound
24 to do that. And it is true that we need to build
25

2 infrastructure, there's no doubt, but as I said, you
3 know if we have a mandate such as this...

4 CHAIRPERSON JAMES: Right.

5 MIKE MANNA: investors will look at this
6 and you know, and financial institutions will look at
7 this and say well, there's a mandate, the material
8 will be coming; we have an opportunity for a strong
9 ROI, let's build it.

10 CHAIRPERSON JAMES: And is there a
11 particular method that is more promising than the
12 other; is this product... [interpose]

13 MIKE MANNA: I personally think it takes
14 all technologies...

15 CHAIRPERSON JAMES: Got it.

16 MIKE MANNA: I mean it... it... you know,
17 it's... what was that old Clinton thing, it takes a
18 family... [interpose]

19 CHAIRPERSON JAMES: Uhm-hm.

20 MIKE MANNA: well, in this particular
21 case it does, it takes a family of technology;
22 there's no one technology, in my opinion, that will
23 manage all of this material, but there are certainly
24 a number of technologies out there that are very
25 viable and proven to be able to manage this material.

2 CHAIRPERSON JAMES: And you believe that
3 this bill is enough of incentive to warrant
4 investment... [crosstalk]

5 MIKE MANNA: Yes, I do.

6 CHAIRPERSON JAMES: and technology?
7 Okay.

8 MIKE MANNA: Yes, I do.

9 CHAIRPERSON JAMES: Does everyone agree
10 with that?

11 PAUL SELLEW: Fully agree.

12 CHAIRPERSON JAMES: Okay. Okay. Thank
13 you all. [interpose]

14 WAYNE DAVIS: Absolutely.

15 CHAIRPERSON JAMES: Thank you.

16 PAUL SELLEW: Thank you.

17 WAYNE DAVIS: Thank you.

18 [background comments]

19 CHAIRPERSON JAMES: Matt... [background
20 comment] Matt de la Houssaye and Eric Goldstein and
21 the council of this committee, Jared Hover
22 [phonetic], asked me to apologize to both of you,
23 because he had made a commitment that you would
24 testify earlier and he went to the men's room.

25 [background comment, laughter]

2 [pause]

3 CHAIRPERSON JAMES: We also have
4 testimony for the record from the New York League of
5 Conservation Voters which we will add to the record
6 and either of you may begin.

7 MATT DE LA HOUSSAYE: Sure. Good
8 morning... good afternoon, my name's Matt de la
9 Houssaye and I'm Director of Global Green's Coalition
10 for Resource Recovery; we're a national environmental
11 non-profit and we're also the U.S. affiliate of Green
12 Cross, which is located in 30 countries around the
13 world. We've been working in solid waste in
14 Manhattan since 2008 when we worked with Starbucks on
15 their first cup recycling program that's expanded to
16 stores across the country and we've worked with food
17 packaging and food waste pilot programs with
18 companies such as Pret A Manger and Jamba Juice here
19 in New York and as well as serving as a technical
20 advisor on the Mayor's Food Waste Challenge BigApps
21 competition and other food waste activities with
22 local government.

23 One year ago we hosted our fourth food
24 waste conference here in New York since 2010, one
25 week after Sandy. If you recall, that was the day

2 the second storm hit and despite very challenging
3 conditions, we had representatives from New Jersey
4 DEP, the DEPs from Connecticut, Massachusetts, New
5 York Office of Long-Term Planning Sustainability and
6 DSNY and we had a panel on this exact subject, on
7 food waste diversion programs, more broadly, and
8 landfill... excuse me... mandatory composting, anaerobic
9 digestion or other means as a part of that. So I'll
10 get to that in a second, but that's a background on
11 our organization.

12 But first and additionally, as part of
13 those conferences I should note, we had
14 representatives from the six regional processing
15 facilities for food waste within 130-mile radius that
16 are available now and I can sent you a map of those
17 facilities if you like.

18 So why are we doing this? Climate
19 change, which relates to the natural disaster that I
20 just mentioned. The majority of New York City's
21 emissions do come from buildings; food waste is a
22 huge leverage point though. Why? If I were a New
23 York City restaurant and I asked one of my employees
24 to make a one-way commute from here along the entire
25 eastern seaboard to Miami, let's say I avoided that

2 trip or let's say instead I chose, well I'll just sit
3 here in New York and I'll compost one ton of food
4 waste. How do those two things compare
5 environmentally? They're about equal. So for a
6 restaurant or grocer to compost one ton of food waste
7 is a lot easier than a lot of other environmental
8 activities. Granted there's challenges involved, as
9 the industry had discussed today, but it's really a
10 big opportunity for a city like New York that has a
11 large volume of these entities and it's a long drive
12 for the environment, excuse the pun. [laughter]

13 So what about resiliency? Compost can be
14 used by farms, roadways and landscapes, as excellent
15 research by the U.S. Composting Council who just
16 testified has shown. In New York we've been in
17 discussion at the state and city level with the
18 Department of Transportation. According to staff at
19 the Arterial Roadway Repair and Maintenance, DOT in
20 the City, much of the 1,700 acres of in-city DOT land
21 could benefit from absorbing large amounts of compost
22 as a means of improving long-term health of the
23 landscapes. People may think of New York City as
24 concrete, but there's 1,700 acres here in that use
25 alone.

2 To give you an illustration of the
3 magnitude... now, the exact soil characteristics would
4 have to be evaluated more in-depth, but I'm using
5 rough numbers, which you'll see in the footnote of my
6 testimony, this could absorb as much as 200,000 tons
7 per year, just on that use alone within the city. So
8 this would help us in times of natural disasters when
9 we have huge stockpiles of yard waste and it would
10 also help us to grow our local economy and use this
11 material locally for the benefit of our soils and
12 increased water-holding capacity and resiliency
13 benefits that come with compost.

14 So what about economics? It should be
15 noted that I agree that this isn't a free ride and
16 that the challenges are there, but we did a report on
17 the economics of composting versus landfill in which
18 we surveyed the industry and used the Peninsula
19 composting facility as a reference point. Our market
20 research has shown three important factors for
21 reducing costs: (1) -- and this law would address all
22 three -- increasing route density; (2) collection
23 from large amounts of organics on each stop, which
24 essentially is this law; and (3) having closer
25 facilities in proximity.

2 So this law is wise and it covers the
3 greatest efficacy for an effect by addressing the
4 largest generators and those with scalable operations
5 in the City.

6 Additionally, the square footage
7 requirement I think addresses one of the items that
8 came up in the panel that we hosted last year,
9 because folks from New York City in the audience did
10 ask Connecticut and Massachusetts -- wait a second,
11 how do you when you generate 52 tons a year or 104
12 tons a year? -- and one year later we've got a square
13 footage requirement and New Yorkers know their square
14 footage, 'cause they're paying for it.

15 So also with economics the big picture is
16 very important and by that I mean the big picture,
17 not for the composters and not for the landfill
18 haulers or other companies; I mean the big picture
19 for the restaurants and grocers. So what's their big
20 cost? It's not composting, it's not landfilling,
21 it's buying food. So lets put that in solid waste
22 talk. If I'm gonna buy \$1 per pound, which if you go
23 to restaurants in New York City that's pretty
24 conservative, some things cost \$5 a pound or more of
25 food on average, just use a ballpark number, that's

2 \$2,000 a ton in solid waste language. So what's my
3 hauling cost? \$208 a ton is the maximum. So if I'm
4 able to avoid that on the back end, I just saved
5 \$2,000 a ton, so how does that relate to this law?

6 We've talked with national grocery chains
7 about this issue and what they've said, in a select
8 survey, is that often when you start composting
9 programs and particularly food donation programs as
10 well, you start measuring. Our current mayor says a
11 lot of things about measuring and metrics, yeah. So
12 once you start measuring, then you can say, well why
13 are we throwing away all those oranges? And I've
14 done food waste audits here in the city and there's
15 lots of things that look great; I'm doing the audit
16 and I'm hungry and I said this is great food, but
17 it's going out to landfill. So once programs are
18 being measured, that cost can be greater accounted
19 and this saves restaurants enormous amounts of money.
20 We did some rough calculations and the savings that
21 are possible are greater than the cost of building a
22 brand new, even at New York City construction rates,
23 anaerobic digestion facility in the city. And by
24 having more businesses compost, they won't all do
25 this, but many will also see the opportunity in

2 reducing food waste. And we supported, through the
3 city's BigApps competition, mobile device creation
4 that can make this sort of tracking easier using
5 today's technology.

6 So I won't belabor on some of my last
7 points because they've been covered, but the basic
8 message is: New York City is not alone. Most of
9 Europe, or much of Europe has banned or mandated food
10 waste composting or anaerobic digestion or other
11 diversion from landfills. And closer to home we have
12 this regional conference, so by enacting this law New
13 York City would be joining the club. And I spoke
14 with Dianne Duva, Connecticut Department of Energy
15 Environmental Protection who helped implement and put
16 in place the program there and she gave her
17 permission for me to speak on her behalf with the
18 following quote: "This law helps the Connecticut
19 food industry, a large and vital part of
20 Connecticut's economy, to save money and disposal
21 cost that will help generate new economic development
22 in organics recycling, it will help keep a resource
23 out of our waste stream and into the stream of
24 commerce where it belongs."

2 So I don't have much more to say 'cause
3 that statement pretty much says it all. We support
4 New York City joining the club and on behalf of
5 Global Green we'd like to commend you on your
6 leadership and wisdom for holding this hearing.

7 ERIC GOLDSTEIN: Good afternoon and
8 congratulations Madame Chair on your election as
9 public advocate, many of us are so delighted you'll
10 be continuing to fight for the people of New York.

11 Rather than read my prepared testimony I
12 thought I'd reflect a little on what we've heard this
13 morning.

14 NRDC and I believe virtually the city's
15 entire environmental community strongly supports this
16 legislation which would jumpstart economic
17 investments in organic waste handling capacity in the
18 New York region. We believe it makes sense for both
19 economic and environmental reasons. This is the best
20 kind of waste legislation because it stimulates
21 economic activity in the metropolitan area without
22 overly regulating the affected industry. Organic
23 waste, as you know, accounts for more than 25 percent
24 of the residential waste stream and of course a much
25 greater percentage of the waste stream of the

2 affected food serve establishments that'll be subject
3 to this legislation. We'll never have a successful
4 waste policy in New York City if we don't find ways
5 to expand and encourage composting and anaerobic
6 digestion to handle our organic wastes.

7 We also believe that community composting
8 has an important and separate role to play and that
9 separate legislation is needed to formally recognize
10 and expand that aspect of the composting solution;
11 hopefully we can work with you in 2014 to do just
12 that.

13 As for 1162, we believe that the
14 differences discussed by the industry panel this
15 morning are differences that can be addressed and
16 gaps bridged. We heard one industry representative
17 who said we favor organic diversion; it's only about
18 timing and your questioning, Chairman James, helped
19 clarify the remaining issues. NRDC would support
20 adjustments to the details of this legislation if
21 they can be developed and agreed to so that an
22 amended form of this bill can move forward before
23 year's end.

24 Let me quickly just address three of the
25 main objections that we heard. The first was timing.

2 NRDC would support a delay of six months in the start
3 date, from July 2015 to January 2016; that would
4 provide a total of five years to get this program
5 underway. Alternatively, you could set a later
6 starting date and then shorten the period of the
7 possible extensions; you'd have two 12-month
8 extensions; that has the advantage of providing
9 certainty and predictability, as one of our previous
10 panel members testified; that seems to make a lot of
11 sense to us.

12 Second, the radius reduction; we would
13 support a modest reduction in the radius of
14 facilities necessary to trigger full implementation
15 and the details, we don't believe in working that
16 out, it should be a stumbling block to advancing this
17 legislation. We do know however that we've spoken to
18 a variety of interests within the Catskill region who
19 either have or are interested in developing
20 additional capacity for composting or anaerobic
21 digestion facilities who are interested in
22 participating in this program and who look forward to
23 the passage of this statute so that they can sit down
24 with the city, participate in the RFP process and get
25 their proposals before the city. So we already know

2 that there's interest in the region and some of that
3 is a far away or as close as a 100 miles, which of
4 course is a lot better than sending it all the way
5 down to Delaware.

6 Finally, in terms of clarifying the
7 definition of covered establishments, we agree that
8 makes sense to do if there's any uncertainty in that
9 area; we wanna assure that the final bill language
10 accurately covers large food service establishments;
11 that is the intent of the proposal, and doesn't
12 inadvertently catch smaller facilities. We're not
13 sure that it does now, but if it does, that oughta be
14 a bridge that can be crossed.

15 Although other solid waste legislation
16 pending before this committee may be more
17 controversial, no bill, we believe, is more important
18 than this one for ensuring that a sustainable waste
19 future is achieved for New York City and all of its
20 residents.

21 And if I can add a final personal note,
22 50 years ago today, at almost exactly this time,
23 President Kennedy was assassinated... [background
24 comment] any of us who are in their mid-50s or older
25 remember November 22nd like we remember September

2 11th and regardless of our age, millions of Americans
3 have been inspired by President Kennedy to get
4 involved in public service and in government and for
5 that reason alone I thought that it was worth
6 mentioning that and memorializing that moment in this
7 hearing. Thank you.

8 CHAIRPERSON JAMES: I can't think of any
9 more appropriate comment to end this hearing on and I
10 thank you for those thoughtful recommendations;
11 obviously we will take them into consideration. And
12 I thank everyone who testified here today; thank you
13 for your comments; we look forward to further
14 discussion and we look forward to passage of this
15 bill in some form. I thank you all for coming; this
16 ends... concludes this hearing.

17 [background comments]

18

19

20

21

22

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 December 6, 2013