



**Testimony of  
Vincent Sapienza  
Commissioner  
New York City Department of Environmental Protection  
before the  
New York City Council  
Committee on Environmental Protection  
and  
Committee on Finance  
May 21, 2021**

Good morning, Chair Gennaro, Chair Dromm, and members of the committees on Environmental Protection and Finance. Chair Gennaro, congratulations on your recent election and appointment to the committee. We look forward to working with you again. I am Vincent Sapienza, the Commissioner of the New York City Department of Environmental Protection (DEP). I am here today to speak about DEP's executive budget for FY22.

DEP's mission is to enrich the environment and protect public health for all New Yorkers by providing high quality drinking water, managing wastewater and stormwater, and reducing air, noise, and hazardous materials pollution. We provide about 1 billion gallons of high-quality drinking water every day, which is delivered from our reservoirs in the watershed through 7,000 miles of tunnels, aqueducts and water mains. Another 7,500 miles of sewer lines convey wastewater and stormwater, and we operate fourteen Wastewater Resource Recovery Facilities (WRRF) around the five boroughs.

**Operations during COVID**

As I mentioned when I testified in March, I am very proud of the work that DEP staff has done in the past year. We have maintained all core services through the pandemic without interruption or impact to water quality. Our workforce smoothly adapted to the needs of the pandemic. Most of our staff continually reported to their jobsites in the field, though we implemented social distancing, required temperature checks, and provided them with extra personal protective equipment (PPE). Office staff worked from home if it was possible to do so, supported by our Bureau of Information Technology (BIT). On May 3<sup>rd</sup>, office staff returned, following CDC and DCAS guidelines to keep everyone healthy and safe.

Our staff also stepped up to support the city's overall efforts to fight COVID. Starting last spring, DEP and DOHMH worked together, along with outside experts, to establish a coronavirus wastewater testing program. This program provided DOHMH with an additional piece of data to alert them to potential outbreaks around the city. Our lab staff also produced more than 17,000 gallons of hand sanitizer for other agencies, the Visiting Nurse Service, and to distribute to the public in city parks. DEP staff volunteered at the command center, to make calls to identify PPE needs, and to work in the vaccine hubs.

We also made changes to some public-facing procedures, to ensure that we were providing the best customer assistance possible. We implemented a digital permitting system so that business and



property owners could apply for necessary permits remotely. We implemented paperless solutions for vendor invoicing and payments. And for construction contracts, sealed bid envelopes are now publicly opened using Microsoft Teams for transparency.

### **Financial Impact of COVID on NYC Water System**

Like the rest of the City, DEP has felt the financial impact of COVID. Our operating revenues are about \$175 million lower than they were this time last year, for two main reasons. First, water consumption is down about 4.7%, as offices and businesses were closed or less active. The second reason is delays in water bill payments. Significantly overdue bills have increased by 26% year over year, with more than 40% belonging to non-residential properties. We know that many residents and business owners have been financially affected, and so our billing assistance teams have been actively working with customers on extended payment plans. Council Members, if you hear from constituents who are having trouble with their water bill, please ask them to reach out to us at 718-595-7000, and we will gladly work with them. Simply ignoring utility bills can unnecessarily blemish credit and cause avoidable late charges.

Because we do not know when water consumption and bill payments will return to previous normal levels, we must take a conservative approach to our spending. We continue to speak with our regulators about relief on certain unfunded mandates, but we do not know what the outcome of those discussions will be. DEP's proposed FY22-FY31 capital plan is \$22.7 billion, of which 26% is for Federal and State mandates. We are prioritizing projects to ensure that our funds are allocated to where they best serve the public, such as improvements to our WRRFs, for sewer replacements and extensions, and for water quality preservation initiatives.

### **Water Rate**

The City's water and sewer rate had no increase in three of the past five years, including this current year, FY21. For FY22, the Water Board is considering an increase of 2.76% to cover projected needs. For an average single family, this amounts to a monthly increase of \$2.22. As a point of comparison, the average single family in NYC spends 20% less on water and sewer charges than similar residents in other cities across the US.

The proposed 2.76% rate increase in FY22 enables a 50% expansion of our customer affordability programs, from \$20M per year to \$30M, providing credits to an additional 53,000 billed customers who are in need.

The proposed budget has no rental payment from the water system to the City's general fund for FY22.

### **Looking Forward**

COVID has not stopped DEP from moving forward with critical work. Capital construction and repairs have continued, including the major Southeast Queens sewer buildout, City Water Tunnel No. 3, and the repair of the Delaware Aqueduct. In 2020, we built more than 3,000 new Green Infrastructure assets throughout Queens – record number of installations for a calendar year.



On Earth Day last month, we launched a Harbor Protector volunteer program, which combines our rain garden stewardship program with catch basin cleanup, catch basin stenciling, and shoreline cleanup. The program launched with a kick-off event in Coney Island, with staff, volunteers, and children from local schools working together to clean up litter and stencil catch basins.

We look forward to continuing our innovative programs and progressing other critical work in partnership with the Council.

My team and I are happy to answer any questions that you have.