

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ENVIRONMENTAL PROTECTION JOINTLY
WITH SUBCOMMITTEE ON CAPITAL BUDGET

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March 14, 2018
Start: 10:08 a.m.
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HELD AT: Committee Room - City Hall

B E F O R E: COSTA G. CONSTANTINIDES
Chairperson

VANESSA L. GIBSON
Co-Chair

COUNCIL MEMBERS:

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

Vincent Sapienza
Commissioner of the New York City Department of
Environmental Protection

Joseph Murren
Chief Financial Officer of the New York City
Department of Environmental Protection

Tasos Georgelis
Acting Deputy Commissioner for the Bureau of
Water and Sewer Operations in the New York City
Department of Environmental Protection

David Warren
Assistant Commissioner with the Bureau of Water
Supply at the New York City Department of
Environmental Protection

Phil Vos
Director of Energy Vision

Angela Licata
Deputy Commissioner of Sustainability of the New
York City Department of Environmental Protection

Michael DeLoach
Deputy Commissioner Public Affairs and
Communication at the Department of Environmental
Protection

Cecil McMaster
Chief Information Officer for the Department of
Environmental Protection

Pam Elardo
Deputy Commissioner for the Bureau of Wastewater
Treatment at the New York City Department of
Environmental Protection

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

Jim Mueller
Deputy Commissioner of the Bureau of Engineering
Design and Construction of the New York City
Department of Environmental Protection

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[gavel]

CHAIRPERSON CONSTANTINIDES: alright,

good morning... do I have to... okay, I got to... I got to do it in... on this thing first. Alright, good morning, I am Costa Constantinides, Chair of the Committee on Environmental Protection. Today this committee will address the Mayor's fiscal 2019 preliminary budget for the Department of Environmental Protection. The department's proposed fiscal 2019 expense budget totals 1.31 billion dollars which is 105.2 million dollars less than fiscal 2018 adopted budget of 1.41 billion. DEP's proposed capital commitment plan for fiscal 2018 through fiscal 2022 includes 13.8 billion which is 65.7 million dollars more than the adopted commitment plan. The committee looks forward to hearing testimony on several important topics including the agency's work to address combined sewer overflows, measures to enhance water supply redundancy, budgetary considerations put forth at the proposed capital commitment plan, and agency performance in light of the release of the preliminary Mayor's management report. Commissioner Sapienza of the Department of Environmental Protection will be providing testimony today. Before

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2 we hear from the Commissioner I'd like to thank the
3 committee staff for putting together today's hearing
4 including Jonathan Seltzer our Finance Analyst right
5 here to my left, our, our Counsel to the Committee
6 Samara Swanston right here to my right, Nadia Johnson
7 our Policy Analyst as well, and Nick Widzowski my
8 Legislative Counsel. With that I will turn it over to
9 the Chair of the Subcommittee on Capital for our
10 Finance Committee, great advocate for the environment
11 our, our Co-Chair of today's hearing Vanessa Gibson.

12 COUNCIL MEMBER GIBSON: Thank you so much
13 Chair and good morning to each and everyone of you,
14 welcome to City Hall. I am Council Member Vanessa
15 Gibson of the 16th district in the borough of the
16 Bronx and I'm so excited to be here as the Chair of
17 the new Subcommittee on Capital Budget. I'd like to
18 thank my fellow Co-Chair, our Chair of Environmental
19 Protection, Costa Constantinides and certainly the
20 members of the Environmental Protection Committee as
21 well as the Subcommittee and thank them for being
22 here this morning. I'd like to recognize Council
23 Member Barry Grodenchik for being here, thank you
24 colleague. This morning in it's second hearing as
25 part of the FY 2019 preliminary budget hearings this

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2 Subcommittee on Capital Budget will be hearing from
3 the Department of Environmental Protection. I want to
4 thank Commissioner Sapienza for being here today and
5 I look forward to hearing your testimony from you and
6 your colleagues. DEP's preliminary capital budget
7 totals 13.7 billion dollars in fiscal 2018 through
8 2022 representing nearly one fifth of the city's
9 total capital plan. The preliminary capital plan has
10 grown slightly when compared to the Departments FY
11 2018 adopted commitment plan due to a variety of
12 projects from water pollution control to supply and
13 equipment purchases. Throughout this month in the
14 council this subcommittee will not only seek to
15 address those areas in which the city can improve the
16 capital process but certainly will also seek to learn
17 from those city agencies who generally implement such
18 projects effectively and I'm so proud to say that DEP
19 is one of those agencies who certainly we are looking
20 to for your leadership and certainly replicating a
21 lot of the great work that DEP has done. The
22 department's capital commitment rate for 2017, 78
23 percent, well above the citywide average of 56
24 percent, this agency... this continues an agency trend
25 of beating our citywide average. These commitments

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2 are particularly impressive given the nature of many
3 of our DEP projects which are often complex,
4 complicated and involve many moving pieces, so I want
5 to commend DEP for this great success and I hope at
6 today's hearing this morning we're able to highlight
7 some of the best practices that might be replicated
8 across other city agencies. The subcommittee will
9 also continue to advocate throughout our hearings for
10 design build authority for many of our capital
11 projects and I am just returning from Albany
12 yesterday meeting with many of my former colleagues
13 in the State Legislature including our Governor
14 talking about design build. So, I'm very interested
15 in hearing from DEP about agency projects where
16 design build might be applicable. Finally, as with
17 the other agencies that the subcommittee will hear
18 from later on this month, I hope to examine ways to
19 increase our transparency and communication in the
20 capital budgeting process and in other areas. In
21 terms of budgeting DEP's commitment plan similar to
22 many other agencies includes overly broad budget
23 lines that can make it difficult to track individual
24 projects to exert meaningful oversight. With respect
25 to a process like DOT, DEP performs numerous projects

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2 that effect work that is done by other entities such
3 as many of our utility companies as well as work in
4 locations outside of the city of New York. DOT
5 Commissioner Polly Trottenberg mentioned to us last
6 week that DOT meets regularly with other parties and
7 stakeholders to get them on the same page about their
8 ongoing work, so I'm certainly interested in DEP's
9 participation in interagency as well as working with
10 our partners outside of the city of New York and
11 learning about the relationships that you have with
12 our local government outside of the city. So, I look
13 forward to hearing from our Commissioner today about
14 these and other issues and I'd like to also thank the
15 finance staff who worked very hard to prepare for
16 today's hearing; our Finance Director Latonia
17 McKinney, our Deputy Directors Nathan Toth and Regina
18 Poreda-Ryan, our Finance Unit Head Crilhien
19 Francisco, our Finance Analyst Jon Seltzer and our
20 Finance Counsels Eric Burnstein to my left and
21 Rebecca Chasan to my right and with that I want to
22 thank our Co-Chair for hosting today's hearing and
23 now I will turn it back to Chair Constantinides,
24 thank you.

25

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2 CHAIRPERSON CONSTANTINIDES: Great, so
3 Samara Swanston will swear in the witnesses.

4 COMMITTEE CLERK SWANSTON: Would you
5 please raise your right hand, do you swear or affirm
6 to tell the truth, the whole truth and nothing but
7 the truth today?

8 VINCENT SAPIENZA: I do.

9 CHAIRPERSON CONSTANTINIDES:
10 Commissioner, good to see you again.

11 VINCENT SAPIENZA: Good to see you too.
12 Good morning Chair Constantinides and Chair Gibson.
13 So, I am Vincent Sapienza the Commissioner of the New
14 York City Department of Environmental Protection. At
15 the table here today with me is Joseph Murren who's
16 our Chief Financial Officer, Deputy Commissioner
17 Michael DeLoach and behind me is DEP senior team who
18 will help with questions and answers if we should
19 need so before I start Chair Constantinides I just
20 want to, you know say thank you again for all your
21 support and great work on, on many of our shared
22 priorities for sustainability and resiliency, a lot
23 of environmental justice things we've been doing and
24 just protecting the overall environment of the city
25 so thank you on that and Chair Gibson

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congratulations, we got to sit down the other day and go through some of the work that we're doing and you know we look to continue to work with you and the, the team on, on DEPs capital commitment for our critical infrastructure. We also want to give a special welcome to the, the new Council Members who, who are on these committees and we look forward to, to highlighting some of our great work and working with them in the future. So, as background DEP has the overall responsibility for the city's water supply and sewer system including providing drinking water to all New Yorkers, maintaining pressure to fire hydrants, managing storm water and collecting and treating waste water. In addition, DEP regulates air quality, hazardous waste and critical quality of life issues including noise. All of our water related expenses both operational and capital are paid for with money collected from the water and sewer rate charges billed to our 834,000 rate payers. The water rate is authorized annually by the New York City Water Board. As you know Mayor De Blasio completely eliminated the rental payment five years sooner than originally projected, the full elimination of the rental payment will result in a savings of seven

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percent or 1.1 billion dollars for our customers through FY 2020. In 2016 the city proposed and the Water Board approved a 183 dollar credit to more than 664,000 homeowners and that was subsequently challenged in court but we're happy to report that the New York State Court of Appeals has ultimately upheld the Board's authority to issue such a credit and, and we began posting those credits on the water bills last month and so over the next few months those of you that are paying a bill will see that credit reflected. Go, going forward now that this issue is behind us we look forward again to doing a standard rate setting for fiscal '19 and we, we will be discussing with the Water Board in the next month or so and then doing five borough hearings starting in May. I'd also like, like to take a minute to highlight that our harbor waters are cleaner and healthier than they've been in more than a century. Key indicators of water quality including in concentrations of bacteria and nitrogen continue to drop while dissolved oxygen is on the rise. We are hearing more and more reports of whales, dolphins and seals returning to our waterways and we are proud to see that our hard work to date has, has been paying

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2 off. And finally, I wanted to highlight an
3 accomplishment from last session that will have real
4 impact on New Yorkers, reducing construction noise.
5 Local Law 53, sponsored by Council Member Kallos and
6 passed by the Environmental Protection Committee last
7 fall and signed by the Mayor in January, will reduce
8 construction noise across the city which is the
9 number one complaint to 3-1-1. As you know, the law
10 authorizes DEP to now take street-level sound
11 measurements in the public right of way, 50 feet away
12 from construction related noise sources. Previously,
13 DEP inspectors were required to measure noise levels
14 from within the dwellings of residents who filed the
15 noise complaints. The new law establishes different
16 enforceable sound levels for residential and
17 commercial areas, as well as for street work. In the
18 event that a construction-related noise complaint
19 cannot be resolved, DEP can now issue limited stop-
20 work orders for equipment that exceeds the noise
21 levels, while allowing the rest of the construction
22 work to continue. It's a great piece of legislation
23 and we appreciate the collaboration between the
24 council and DEP. So, now I'll, I'll start discussing
25 the FY '19 Four-Year Capital Plan. So, our Four-Year

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Capital Plan has approximately 11.2 billion dollars for FY '19 through '22 as presented by Mayor De Blasio on February 1st, 2018, it's an increase of 748 million dollars or 7.2 percent over the FY '18 September capital improvement plan of 10.4 billion dollars. The funding will allow our nearly 6,000 employees to continue to expand upon our history of reliability and innovation. I will now provide some highlights for the fiscal '19 through '22 plan focusing on drinking water supply, the sewer network, harbor water quality, and initiatives to promote the overall health of the New York City environment. I will also provide updates on performance metrics pertaining to the mission of our complex agency. So, first on drinking water, the New York City water supply system provides approximately one billion gallons of safe drinking water to about nine million people. This includes residents of the city of New York, the millions of tourists and commuters who visit the City throughout the year, and approximately one million people living in the counties of Westchester, Putnam, Orange, and Ulster. In all, the city of New... the, the... New York City water supply system provides nearly half of the population of New

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2 York State with drinking water. We work hard to
3 deliver an exceptionally high quality of water - one
4 that regularly wins national taste tests! DEP
5 scientists collect samples 365 days a year from our
6 expansive reservoir system, the aqueducts that
7 deliver the water to the city, and from roughly 1,000
8 sampling stations across the five boroughs. These
9 water samples are delivered to one of DEP's four
10 state-of-the-art laboratories where scientists
11 analyze them for more than, than 600,000 times
12 annually. In addition, we have robotic monitoring
13 buoys in our reservoirs that provide an additional
14 1.2 million measurements per year that help us to
15 send the best water to the city at all times. For FY
16 '19 to '22, the Administration is proposing to invest
17 significantly in protecting the quality of our
18 reservoirs and the integrity of our dams, providing
19 for treatment where necessary, and maintaining and
20 repairing the water main system conveying potable
21 water to all New Yorkers. We have budgeted a total of
22 1.2 billion dollars for water supply contracts,
23 including 30 million dollars for closeout at the
24 Croton Water Filtration Plant, 185 million dollars to
25 continue our watershed protection programs, and 376

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2 million dollars to reconstruct dams in the
3 watersheds. There is also 1.2 billion dollars
4 allocated for the replacement of in-City water mains,
5 which includes 765 million dollars for specific
6 water-main work, 77 million dollars to accelerate the
7 replacement of underground water distribution
8 infrastructure, 67 million dollars for emergency
9 contracts for water distribution, and 85 million
10 dollars to keep our water distribution assets in a
11 state of good repair. As cities around the country
12 and world struggle to deliver safe drinking water due
13 to drought, climate change, budget shortages and
14 aging infrastructure; DEP is prioritizing the
15 following projects and programs to guarantee the
16 dependability and resiliency of the City's water
17 supply system. So, first I'll start with the
18 filtration avoidance determination. For decades, New
19 York City has recognized that it is environmentally
20 sound and cost effective to protect drinking water at
21 its source. This past December, the New York State
22 Department of Health awarded DEP a new 10-year waiver
23 to continue delivering unfiltered drinking water from
24 our Catskill/Delaware water supply, called the
25 Filtration Avoidance Determination or FAD. This

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agreement commits the City, working with our upstate partners, to investing about a billion dollars over the next decade towards programs to protect our drinking water. If the FAD had not been renewed the City would be required to build a new filtration plant which would have cost upwards of 10 billion dollars to build and over 100 million dollars annually to operate. These costs would have to be passed on to our ratepayers. Maintaining the FAD is one our highest priorities, and the City's science-based approach to watershed protection has made our program a national and international model for protection. Under prior FADs DEP has preserved more than 150,000 acres of land, upgraded wastewater infrastructure throughout the watershed, worked with farmers to ensure their operations are both efficient and protective of water quality, and focused considerable attention on the natural infrastructure of our streams, wetlands, and forests. These programs are critical to our success and the capital plan includes 185 million dollars to continue FAD related programs over the next four years. On the Delaware Aqueduct Repair I am pleased to report that work progresses on schedule, and on budget, for the one-

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billion-dollar repair of the Delaware Aqueduct, which includes the construction of a 2.5-mile bypass tunnel that is now being drilled 600 feet below the Hudson River from Newburgh to Wappinger. DEP began tunneling last September and we expect to make the connection to the existing aqueduct in 2022. City Water Tunnel Number 3, the, the Brooklyn-Queens Leg to our, our, our plan includes 600 million dollars to complete the Brooklyn-Queens leg of Tunnel No. 3, which is primarily for funding of two new shafts that will be drilled from the surface down to where the tunnel is. In December 2017, DEP brought the Brooklyn-Queens leg of the tunnel itself to, to the below ground section of the tunnel into a state of activation readiness, meaning that in the unlikely event of a major failure of City Tunnel Number 1 or 2, DEP could quickly deliver water through City Water Tunnel Number 3 to Brooklyn and Queens. On the Kensico Eastview Tunnel, DEP has allocated an additional 35 million dollars bringing the total allocation to 808 million dollars for this project. When completed, the project will provide additional redundancy for New York City's water delivery system. An additional 33 million was added to the plan for a total of 117 million dollars

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2 for upgrades to the Ashokan Reservoir, the Olive
3 Bridge Dam and the Dividing Weir Bridge. Upgrades to
4 these nearly 100-year-old assets will ensure
5 continued compliance with New York State dam safety
6 regulations as well the continued safety of the
7 public traveling over the Dividing Weir Bridge. I'll
8 now turn to sewers. DEP is responsible for the
9 maintenance of more than 7,000 miles of sewers
10 throughout the City. Over the last several years, DEP
11 has embraced a data-driven, proactive approach to
12 operating and maintaining the sewer system. By using
13 a range of digital tools and innovative practices,
14 DEP developed targeted programs to provide a high
15 level of service to our customers while focusing on
16 investments that prioritize resources. Over the past
17 decades, decade these programs have significantly
18 driven down confirmed sewer backups. Since 2013, we
19 have also been more proactively cleaning sewers,
20 rather than the previous practice of reactively
21 cleaning them after a backup occurred. In 2017, more
22 than 400 miles of sewers were proactively cleaned.
23 The leading cause of sewer backups continues to be
24 the buildup of fats, oils, and greases. In 2017, this
25 caused more than 70 percent of confirmed backups.

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2 Since 2015, DEP has engaged thousands of households,
3 multi-family properties, religious organizations,
4 civic associations, and educational institutions in
5 communication on the proper disposal of used cooking
6 oil and the harmful effects on the sewer
7 infrastructure. Credit for another successful sewer
8 initiative goes to the City Council with passage of
9 Local Law 48 of 2015. The law required DEP to inspect
10 and clean as necessary all 148,000 street catch
11 basins on a yearly basis, rather than on the prior 3-
12 year cycle. The accelerated cycle proved beneficial
13 both to debris removal and to more quickly address
14 defects that required repair. The plan for FY '19
15 through, through '22 projects we project is 2.6
16 billion dollars of spending on sewers, which includes
17 the build-out of Southeast Queens for 796 million
18 dollars. In addition, the Plan allocates 916 million
19 dollars to replace sewers including the Mayor's
20 initiative for accelerated replacement, 1.6 billion
21 dollars to construct new sewers of all types of which
22 112 million is for high-level storm sewers, and 270
23 million dollars to expand, expand a blue belt
24 drainage system on Staten Island. Now I want to talk
25 about the initiative in Southeast Queens. Southeast

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2 Queens experienced rapid residential and commercial
3 growth from the 1920s through the 1960s, and many of
4 the natural watercourses that previously drained the
5 area were paved over by developers, exacerbating
6 flooding. The low-lying topography of the area and
7 the enlargement of Kennedy Airport significantly
8 complicated the installation of large storm sewers,
9 making planned work extremely costly. Major projects
10 had been deferred until Mayor De Blasio authorized
11 1.5 billion dollars over ten years for the Southeast
12 Queens Flood Mitigation Plan. This has since been
13 increased to even more than that, we've added money
14 to that program. Together with our partners at the
15 Department of Design and Construction and the
16 Department of Transportation, DEP has developed a
17 four-pronged approach to improve conditions in
18 Southeast Queens. First is we're constructing quick
19 fixes, such as storm sewer extensions, targeted full-
20 size sewers, and green infrastructure to bring near-
21 term flooding relief. Second, we're... we... we'll build
22 neighborhood sewers where, where there's existing
23 capacity in the existing sewer system. Third, we'll
24 create future capacity for further neighborhood sewer
25 projects by investing in large trunk sewers. And, and

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finally we're evaluating opportunities to reduce groundwater flooding. Together, these four approaches are starting to deliver both immediate and long-lasting relief for many residents in Southeast Queens. As requested by the council, an easy-to-use map of this work is now available on our website. Now touching on wastewater treatment. DEP manages an average of 1.3 billion gallons of wastewater each day through our 14 waste water treatment facilities. The alignment with wastewater utilities across the country, DEP is embracing best practices to ensure a sustainable future that minimizes waste, maximizes resources, protects our ratepayers, improves the community, and embraces innovation. Wastewater resource recovery is an essential element in delivering maximum environmental benefits at the least cost to society. DEP is working to promote our role in energy optimization, greenhouse gas reduction, carbon sequestration, and operational improvements to efficiently manage the expense budget while expanding environmental opportunities. Our capital plan projects a 2.6-billion-dollar capital investment for the upgrade, reconstruction, or replacement of components of the wastewater treatment

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2 plants and pumping stations. While DEP is a world-
3 leader in water supply delivery and wastewater
4 treatment, we are constantly looking for innovative
5 ways to curb costs and enhance the environment of New
6 York City. These efforts include commitments to the
7 Zero Waste to Landfill initiative that the Mayor put
8 forth as well as his 80 by 50 initiative, so I'll
9 first talk about zero waste. Last year in 2017 our
10 wastewater treatment plants generated 490,000 tons of
11 biosolids, which are the nutrient-rich organic
12 materials that are generated during the wastewater
13 treatment process. Last year, approximately 74
14 percent of those biosolids went to landfill, 15
15 percent were used as alternative daily landfill
16 cover, and 11 percent were beneficially used through
17 mine reclamation and composting. Our goal of 'zero by
18 30' is to have non-landfill beneficial use of 100
19 percent of our biosolids by the year 2030, with year
20 over year progress starting in 2019. To this end, we
21 are in the process of awarding a 150-ton-per-day
22 contract for beneficial use only, as well as
23 developing short and long-term master plans for
24 beneficial end use. As you may recall, DEP, in
25 conjunction with the company Waste Management and

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National Grid is launching a pilot demonstration project at the Newtown Creek, Creek Wastewater Treatment Plant in Brooklyn to accept food waste from the City's organics program. DEP began accepting food waste in 2016 and has ramped up to 80 tons per day of food waste today. In addition to supporting the city's Zero Waste initiative, this effort also increases digester gas production at the plant which is a clean renewable fuel. By the end of 2018, we expect that National Grid will complete construction of their biogas scrubbing system, which will allow excess digester gas from the Newtown Creek Plant to be delivered back into the nearby natural gas pipeline. On 80 by 50, in support of the Mayor's commitment to reduce greenhouse emissions, DEP has launched a number of initiatives and I'll briefly describe. So, first digester gas, on average, our wastewater treatment facilities generate 3.6 billion cubic feet of digester gas per year, of which approximately only 35 percent is used at the plants beneficially to power boilers and engines, while the remaining is really worthlessly flared. Over the next three decades, DEP will be phasing out flaring of gas by developing on-site usage such as expanding our

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2 ability to use it as a substitute for fuel or
3 electricity and delivering our digester gas into the
4 natural gas grid. Solar. By leveraging DCAS funding,
5 DEP is currently conducting a solar photovoltaic and
6 energy-storage feasibility study for the Wards Island
7 Treatment plant, at which there are prime
8 opportunities to install solar photovoltaic canopies
9 over wastewater-treatment processing tanks. In
10 addition, DEP is also evaluating ground-mount and
11 parking canopy solutions in the watershed. For energy
12 conservation, over the past several years, DEP has
13 identified more than 400 energy conservation
14 measures. At these... as these facilities are upgraded,
15 DEP is seeking opportunities to integrate energy
16 conservation measures into its state-of-good-repair
17 capital planning process. On cogeneration, which uses
18 methane that's produced during a wastewater treatment
19 process to generate electricity and heat. Last year
20 we began construction on a 267-million-dollar project
21 at North River plant to replace the plant's existing
22 1980's vintage diesel-powered systems with five new
23 natural gas-fired and, and digester gas-fueled
24 cogeneration engines. This project will result in
25 improved energy efficiency, power supply reliability,

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2 and air quality, while also maximizing the beneficial
3 use of methane produced on-site. In, in our plan we
4 also have 220 million dollars to upgrade the
5 digesters at the Hunts Point Wastewater Treatment
6 Plant, which will more effectively break down organic
7 matter, reducing the amount of residual solids that
8 need to be trucked from the site through the
9 neighborhood. More methane gas will also be produced,
10 which will be used to offset purchased fuel. And I
11 want to speak about harbor water quality.

12 Approximately 60 percent of New York City is served
13 by combined sewers, where storm water runoff and
14 sanitary waste are conveyed in a single pipe beneath
15 each street to a wastewater treatment plant. The
16 system was originally designed so that during
17 moderate to heavy rain events, excess water gets
18 released untreated into local waterways, which is
19 referred to as combined sewer overflow or CSOs. When
20 the city's long-term control process for CSOs kicked
21 off in 2012, DEP began engaging the public in the
22 development of each plan. Over the years, we have
23 listened to feedback on ways to improve our public
24 engagement strategies. In response, we have worked to
25 make our complicated presentations and informational

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2 materials more, more user friendly, coordinated with
3 local organizations on meeting dates and locations,
4 held dozens of public meetings, and responded to
5 public comments. Last November we announced that,
6 going forward, the public will have an opportunity to
7 review and comment on our proposed plans before they
8 are submitted to New York State DEC for its review.
9 Under the Long Term CSO planning process, DEP will be
10 investing at least another 4.4 billion dollars to
11 make further CSO reductions over the next 25 years.
12 The Plan includes 1.5 billion dollars for planned
13 consent-order work related to the Long-Term Control
14 Plans for combined sewer overflow. In 2017, New York
15 State DEC approved seven of the City's plans, with
16 two additional plans under review by the State. Two
17 of these plans call for enormous CSO storage tunnels
18 beneath Brooklyn and Queens to reduce further
19 overflows into Flushing Bay and Newtown Creek. DEP is
20 currently developing two more plans, one for Jamaica
21 Bay, and another for the East River and Open Waters.
22 Once these plans are identified, they will be able...
23 we will be able to estimate the cost associated with
24 them. The approved LTPT... LTCPs for Alley Creek,
25 Flushing Creek, and the Hutchinson River include

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projects to disinfect CSOs using bleach, with the intent of significantly reducing pathogens during the recreational season. I recently met with several environmental groups and I acknowledge their concerns about residual chlorine entering water bodies where it could potentially have an effect on marine biota. It should be noted that these three projects will also include de-chlorination systems to eliminate any residual chlorine compounds prior to release, and we will conduct extensive environmental reviews during the design phase before proceeding with construction. The ultimate goal of eliminating CSOs is daunting, given the challenges of siting extremely-large infrastructure in a very dense city and the massive capital cost, which could exceed 30 billion dollars for New York City. The LTCPs represent a significant next step, and one that won't break the backs of middle and working-class homeowners who pay a water bill. DEP looks forward to a continuing dialogue with the stakeholders, with the City Council and with New York State DEC on this complex issue. On green infrastructure, in 2010, DEP launched, launched a green infrastructure program in the combined sewer areas of the City to help reduce CSOs. DEP has worked

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diligently to advance construction of green infrastructure in priority areas, which reduces the amount of storm water runoff entering the wastewater system and adds multiple co-benefits for New Yorkers, such as decreased ponding, increased shade, and community greening. To date, DEP has constructed approximately 4,000 green infrastructure assets, the majority of which are located in the right of way. From its out, outset, DEP committed 1.5 billion dollars for the Green Infrastructure Program, of which over 468 million dollars has been encumbered to date and another 990 million dollars has been budgeted through fiscal year 2027. The funding will be used to continue to build right-of-way rain gardens, as well as green infrastructure retrofits on City-owned property through partnerships with the New York City Housing Authority and the Departments of Education and Parks & Recreation. These partnerships allow us leverage funding and support from other City-initiatives such as Park's Community Parks initiative and we have added 50 million dollars to that program to ensure that these parks are managing storm water runoff and contributing to healthier waterways. To date, DEP has completed 48 public

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2 retrofit projects with our partners, and 200 are
3 currently in design. Briefly I want to talk about the
4 Gowanus Canal now. The Gowanus is a major priority
5 for the city and for DEP. EPA has required the, the
6 City to limit CSOs into the canal by constructing two
7 underground tanks and associated infrastructure to
8 intercept and store CSOs during wet weather events.
9 We are in the final step of our ULURP application
10 with the Council hearing just this past Monday. We
11 have been pleased that stakeholders seem to approve
12 our approach with the Community Board, Borough
13 President, and City Planning Commission all
14 supporting our application with conditions. We are
15 hopeful to acquire these properties without eminent
16 domain, but we will still meet our milestones even if
17 that is not the case. It is important to meet that
18 schedule and milestones on this project, as if we do
19 not stay on schedule, the EPA could have us move to
20 a... to do the project under an adjacent park and, and
21 community swimming pool and we share the community's
22 opposition to that alternative. So, now I'll speak
23 about the FY '19 expense budget. The projected
24 Expense Budget for the current fiscal year, FY '18 is
25 1.3 billion dollars that includes approximately 80.2

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2 million dollars in Community Development Block Grants
3 funds for the "Build it Back" program, for which DEP
4 serves as a contracting entity for the City.

5 Therefore, backing out that Build It Back Funding

6 DEP's FY '19 Preliminary Expense Budget is 1.2

7 billion dollars. The Preliminary FY '19 Expense

8 Budget breaks into the following large categories:

9 543.8 million dollars or about 41.6 percent of the
10 budget is for personal services to pay the salaries
11 of our nearly 6,000 funded positions, 763.8 million
12 dollars or 58.4 percent is for other than personal
13 services, OTPS which includes taxes on upstate
14 watershed lands, which account for 167.2 million
15 dollars or nearly 12.8 percent of our expense budget.

16 As you may know our growing ownership of watershed
17 lands represents a critical investment in maintaining
18 the high quality of the City's drinking water by
19 protecting it at the source and ensuring that it does
20 not require more expensive treatment, such as
21 filtration. I am pleased to report that we have
22 successfully negotiated agreements with upstate
23 jurisdictions to make our tax obligations more stable
24 and predictable. DEP's energy costs, including heat,
25 light, and power, account for 92.8 million dollars or

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2 7.1 percent of the FY '19 Expense Budget. DEP is the
3 third-largest municipal consumer of electric power in
4 City after the Department of Education and Health and
5 Hospitals, and our consumption will grow as we bring
6 new online treatment processes for wastewater. To
7 control energy costs and to meet Mayor De Blasio's
8 major commitment to reduce greenhouse gas emissions,
9 DEP is investing in projects to reduce energy needs,
10 including the cogeneration plant at the North River
11 Treatment Plant that I mentioned earlier. The
12 chemicals that are necessary for both our drinking
13 water supply and wastewater treatment are estimated
14 to cost 49.0 million dollars in FY '19 or about 3.7
15 percent of the Expense Budget. For drinking water,
16 DEP continues to add chlorine and fluoride to Cat/Del
17 water in order to meet federal, state and city
18 treatment requirements. Also, for drinking water, the
19 treatment processes at the new Croton Water
20 Filtration Plant requires additional chemicals. Our
21 wastewater plants rely on the addition of polymers,
22 sodium hydroxide, glycerol, and ferric chloride and
23 other chemicals to improve removal rates and continue
24 to disinfect their effluent with chlorine compounds
25 as we have done since the 1930s. On sludge management

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2 we produced between 1,200 and 1,300 tons per day and
3 that's projected to cost 56.4 million dollars for FY
4 '19 which is about three... which is 4.3 percent of our
5 Expense Budget. As mentioned earlier, we will
6 continue to identify ways to reduce these costs by
7 finding a more beneficial use. Just briefly on cost
8 Savings Initiatives. DEP has taken a hard look at our
9 processes to identify where we can reduce costs
10 without sacrificing quality or reliability. One
11 example of this is the chemical Glycerol, which DEP
12 uses to meet strict regulatory requirements to remove
13 nitrogen from wastewater. In 2017, DEP spent almost
14 eight million dollars for glycerol. In an effort to
15 reduce costs, DEP rebid the glycerol contracts with
16 improved contract terms and we achieved a price
17 reduction of approximately 55 percent per pound of
18 glycerol, about 4 million dollars in overall savings.
19 We are anticipating several million in savings in
20 2018. In addition, through the ingenuity of our
21 workforce, DEP attained 3.4 million dollars in
22 savings last year through operational changes to
23 process air systems, overhauling tanks in-house, and
24 other creative initiatives. We look to expand these
25 best practices and increase these savings in, in the

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2 future. So, finally on behalf of the 6,000 employees
3 at DEP across the city and upstate I... you know I want
4 to again express our appreciation to Chairman
5 Constantinides for your steadfast environmental
6 leadership and to Chair Gibson and you have our
7 continued commitment to collaborating with you and
8 your committee on delivering our infrastructure
9 program. I want to thank you all for the opportunity
10 to present testimony today and we look forward to
11 answering questions. Thank you.

12 CHAIRPERSON CONSTANTINIDES: Thank you
13 Commissioner, we're joined by Council Member
14 Grodenchik, Council Member Richards, Council Member
15 Matteo, I know Helen Rosenthal, Council Member
16 Rosenthal was here as well. So, I'll ask a couple of
17 questions and then I'll kick it back to the Chair and
18 then we'll open it up to the, the other Council
19 Members. So, looking at biosolids, you talked about
20 coming up with a, sort of long term plan about... you
21 said about 150 per day.

22 VINCENT SAPIENZA: 150 tons per day.

23 CHAIRPERSON CONSTANTINIDES: And how much
24 do we, we, we create about 1,300, right?

25 VINCENT SAPIENZA: Yes.

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2 CHAIRPERSON CONSTANTINIDES: So, how do
3 we scale that up over the next... and you put 30 years,
4 how do we do that?

5 VINCENT SAPIENZA: So, so it's, it's a
6 challenging program but we, we... just a little bit of
7 a history so, in 1988 congress unanimously passed the
8 ocean dumping ban act, municipalities used to take
9 their biosolids and dump it out at sea and, and since
10 that time municipalities have had to either
11 incinerate it or land apply it and DEP has been land
12 applying it probably going back ten years when the
13 recession hit, the cost of beneficially land applying
14 it on cropland, on grazing land went up in value a
15 lot and that was costing DEP over 40 million dollars
16 a year at one point and we hit 50 at... back ten years
17 ago and landfill costs were very low due to the
18 recession and we, we had been landfilling our sludge
19 ever since. We would like to now more beneficially
20 use that sludge, get it out of landfills and it does
21 have a nutrient value to use it so as a first step
22 we're issuing this 150 million dollar... this 150 ton
23 per day, sorry, contract to, to take our biosolids
24 and use it for a beneficial purpose rather than just
25 essentially putting it in, in landfill as waste. Over

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2 time we'll... we will see how that first contract
3 progresses and then try to move forward but our goal
4 is by 20130 to eliminate that 1,300 tons per day from
5 going to landfill.

6 CHAIRPERSON CONSTANTINIDES: Okay.

7 Alright, so looking next at Flushing Bay, I know that
8 there's a dredging project going on there, the
9 timeline is to complete it during this fiscal year?

10 VINCENT SAPIENZA: That's correct.

11 CHAIRPERSON CONSTANTINIDES: And if it
12 doesn't... we are not able to finish... how are we doing,
13 how... what's the progress so far?

14 VINCENT SAPIENZA: So, so we have this
15 project to, to remove dredge material from Flushing
16 Bay, this is just basically sewer sediments that have
17 accumulated over the, the, the decades. The, the
18 dredge work itself removing that material is
19 essentially complete and what we're continuing to do
20 now Council Member is, is, is capping that, that site
21 and then doing some shoreline restoration and, and
22 some greenery of the site so we fully expect to have
23 that done... [cross-talk]

24 CHAIRPERSON CONSTANTINIDES: So, it's not
25 going to bleed into FY '19?

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VINCENT SAPIENZA: No.

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CHAIRPERSON CONSTANTINIDES: And how long

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will that keep Flushing Bay in good condition because

5

I... you know it, it's kind of the, the chicken and the

6

egg problem, right, we're, we're still having the,

7

the CSOs in Flushing Bay so what... how long is it

8

going to be until we have to dredge again?

9

VINCENT SAPIENZA: That's right, so, so

10

we've done a couple of things, one is several years

11

ago we completed the 400 million dollar project to

12

build a 40 million gallon storage tank to reduce

13

overflows into Flushing Creek which eventually make

14

its way into Flushing Bay but there are still a

15

couple of large CSO outfalls into Flushing Bay which

16

as, as you said Mr. Chair continue to contribute

17

sewer sediments. One of the projects that we

18

mentioned in the long-term control plan for Flushing

19

Bay is to build a massive storage tunnel that will be

20

a couple hundred feet below ground and that will

21

store combined sewage that would otherwise have

22

overflowed, we'll store it in the tunnel until the

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storm ends and then that could be dumped... pumped to a

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wastewater treatment plant.

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CHAIRPERSON CONSTANTINIDES: And that

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would be with the Bowery Bay Wastewater Treatment

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Plant so that, that'd be coming through from Flushing

5

Bay through Jackson Heights and to Astoria, correct?

6

VINCENT SAPIENZA: Correct.

7

CHAIRPERSON CONSTANTINIDES: And what's

8

the timeline on that tunnel, what's, what's the sort

9

of long term plan there?

10

VINCENT SAPIENZA: Yeah, so we, we are

11

really in the early stages, we, we hope to begin

12

design, the full design in the next year or two but

13

we... I don't know if we have those... the timeline Joe,

14

for the CSO, yeah, it's, it's late 2020's is

15

completion.

16

CHAIRPERSON CONSTANTINIDES: Its

17

completed.. of the design?

18

VINCENT SAPIENZA: No, of the... of... the

19

entire project... [cross-talk]

20

CHAIRPERSON CONSTANTINIDES: Oh, the

21

entire project so late 2020's... oh, so late 20... not in

22

late 2020 but late 2020's so yeah, I, I, I hear you

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on that, I mean as, as, as a representative of, of

24

Western Queens that abuts Flushing Bay but also that,

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that represents the Bowery Bay Treatment Plant, I'm,

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2 I'm very interested in that project and, and seeing
3 how we progress and seeing how we can best capture as
4 much of the CSO waste there as possible. And then
5 looking at... again going back to the CSO issue, I know
6 that my colleague Barry Grodenchik is probably going
7 to go into more detail on this but looking at the
8 chlorination, it'll... is there a record of this
9 working?

10 VINCENT SAPIENZA: So, in, in working
11 with New York State DEC on looking at alternatives
12 for, for CSO so we, we have been doing grey
13 infrastructure these large storage tanks, we've been
14 doing green infrastructure but in some cases even
15 with building these massive storage tanks they're
16 periodically, you know maybe once a month or so there
17 will be an overflow that, that can't be captured it's
18 just a heavy rainstorm and the, the, the proposal now
19 is to when there is an overflow is to add sodium
20 hydroxide, it's essentially strong Clorox bleach to
21 kill whatever bacteria may, may be in those
22 overflows. We, we also... part of that... those projects
23 will include a de-chlorination system using sodium
24 bisulfite to remove any chlorine compounds before
25 they, they may go into water bodies and, and the

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concern about chlorine getting into waterways is that it can impact marine biota and we want... we want to avoid that. So, it... we, we know it's going to be a challenge, we've looked at other municipalities that have done it, we will always want... if we... [cross-talk]

CHAIRPERSON CONSTANTINIDES: But how does it... how does it work in those other municipalities?

VINCENT SAPIENZA: It's, it's been challenging in, in other places and, and what, what other municipalities have done and what we will do is default to having no, no residual chlorine going into waterways, we may not get as much bacteria kill as, as we hope to achieve but we will always default to having no chlorine residual being... [cross-talk]

CHAIRPERSON CONSTANTINIDES: Because I... Alley Pond I know has how many students, 75,000 students that sort of go through APAC on a yearly basis so making sure we get that right for that particular ecosystem is, is abundantly important and, and, and we... you have your work... you'll, you'll be sort of keeping us updated on... because... you know some of that... the, the old parabola, the, the old lady who

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2 swallowed the fly, you know at the end of, of... end of
3 the story it doesn't go well for her...

4 VINCENT SAPIENZA: No, we, we understand
5 and, and, and as we progress the designs on these we
6 will be doing continual environmental review to, to
7 just make sure that these plans work going forward.

8 CHAIRPERSON CONSTANTINIDES: Okay and
9 that, that... you know I think we share a deep concern
10 here that we want to make sure we get this right for
11 the environment and for our... you know for the entire
12 community in, in Eastern Queens. So, with that I'm
13 going to come back, I have more questions, but I know
14 that I have our Chair... or one... Vanessa one more
15 before I, I go and I'm going to come back for a
16 second round. Also representing Bowery Bay I know
17 that there's a directive that's part of climate
18 change and you know looking at extreme weather, you
19 know I know that Bowery Bay is in, in a... in a flood
20 zone, I represent a community that's got the power
21 plants, the Bowery Bay Sewage Treatment Plant there's
22 sort of infrastructure in Northwestern Queens that
23 needs hardening, can you provide the committee an
24 update with where the agency is in respect to design,
25 construction and resiliency measures at select

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2 pumping stations and other facilities across the
3 city?

4 VINCENT SAPIENZA: So, Bowery Bay is one
5 of our 14 wastewater treatment plants, all 14 of
6 those plants were put right at the waters edge and
7 there was a reason that they were put there, we want
8 sewage to flow downhill by gravity to get to those
9 plants so they're all again right along the waters
10 edge, all susceptible to, to flooding from, from,
11 from storms and particularly sea level rise due to
12 climate change so we have been undertaking resiliency
13 measures at all the plants. We had to do work at
14 several plants particularly along the South shore
15 after Sandy to, to restore some of the equipment that
16 was damaged but going forward we have over 300
17 million dollars in the plan to do things like
18 hardening some of the infrastructure, raising
19 electrical equipment, just making sure that things
20 are more resilient... [cross-talk]

21 CHAIRPERSON CONSTANTINIDES: About 300
22 million you said?

23 VINCENT SAPIENZA: Yeah, do we have the...
24 300,000 million is correct.

25

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CHAIRPERSON CONSTANTINIDES: And that's

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going to... and, and that's already in the budget,

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already being worked upon and, and what's, what's the

5

sort of target completion date for all this work?

6

JOSEPH MURREN: Mr. Chair those are in

7

the budget for fiscal year '18 and '19 so they're in

8

the process of being, I believe contracts are

9

prepared being put out to date so it should be over

10

the next couple of years.

11

CHAIRPERSON CONSTANTINIDES: And as the

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wastewater treatment plants I saw that you had talked

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about, you know us being the third largest municipal

14

consumer of electricity are we looking at also

15

renewable energy opportunities at these plants as

16

we're looking to retrofit all city owned building by,

17

what is it 2025 as part of the OneNYC plan what's our

18

plan when it comes to these wastewater treatment

19

plants to, to reduce our energy consumption?

20

VINCENT SAPIENZA: Yeah, definitely. It

21

takes a lot of power to, to pump and treat 1.3

22

billion gallons a day of wastewater and we've been

23

looking at a number of initiatives and one most

24

particularly is using the, the methane gas that's

25

produced in the wastewater treatment process as a

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2 fuel to power on site generation and we began a
3 project last year at our North River plant on the
4 upper West side of Manhattan to put in cogeneration
5 engines that'll use that renewable digester gas
6 that's produced every day as a fuel to make
7 electricity there.

8 CHAIRPERSON CONSTANTINIDES: Alright,
9 well I mean as, as... I was looking yesterday at the
10 solar readiness report put out by DCAS pursuant to
11 the local law that we passed, and I saw that nothing
12 at Bowery Bay was solar ready, so I would love to see
13 us figure out a way to sort of incorporate Bowery Bay
14 into renewable energy opportunities in the city.

15 VINCENT SAPIENZA: We'll take a look at
16 that.

17 CHAIRPERSON CONSTANTINIDES: Especially
18 when we have all the emissions from the power plants
19 in Western Queens, but 55 percent of the city's power
20 is sitting not too far away from there it'd be great
21 if, you know the city could lead the way on emissions
22 reductions in Western Queens, we're giving the power
23 plants... holding them more accountable. Alright, with
24 that I'm going to pass it over to my Co-Chair Vanessa
25 Gibson for questions.

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COUNCIL MEMBER GIBSON: Thank you Chair and thank you Commissioner to you and your team for being here and I guess just a few of my questions will obviously focus on just the capital work and the infrastructure of DEP and obviously the ongoing relationships that you maintain with other agencies as well as utility companies and localities outside of the city of New York. So, I first wanted to ask DDC plays a major role in a lot of your capital projects and right now DDC is managing 482 of your capital projects going through divisions like equipment, sewers, water mains, treatment, water pollution control and water supply and so I wanted to ask what actions does DEP take when you're working with DDC in terms of not only making sure that there is a productive working relationship but more importantly that projects are finished on time so can you just give us an understanding of how that works?

VINCENT SAPIENZA: Sure, so Chair Gibson DDC has, has the responsibility of doing a lot of street work for us so water mains and sewers primarily that are below ground and, and the reason that DDC manages those projects because there's often overlap with things that DOT needs to do or moving of

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utilities and they really, DDC has the expertise to do that work. We've done a lot of what we call upfront planning with them over the last couple of years just to make sure that everyone is on the same page with what needs to be done ahead of issuing capital contracts to move forward and I, I, I think, you know that's, that's bourn some fruit over the last year or so and there's been probably less, you know delays in some of the work that they've been doing for us but on, on, on installation of new water mains and, and sewers I think, you know the last couple of years, '17 and '18 we've progressed fairly well.

COUNCIL MEMBER GIBSON: And at what point

does DEP decide to bring DDC on board like is it during the design phase or are there certain protocols that you have when you determine DDC should be involved, how does that work?

VINCENT SAPIENZA: Yeah, I, I think we,

we typically default to them on any large water main or sewer work again given if a street has to be ripped up to, to do that we know that DOT needs to be involved and you know with their gas lines in the

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2 street, electric lines, cable it, it, it's something
3 that DEC... DDC just does very well.

4 COUNCIL MEMBER GIBSON: Okay. And do you
5 think that its useful to incorporate DDC during the
6 design phase on all of these projects or is that
7 something that DEP would normally take up?

8 VINCENT SAPIENZA: So, DEP normally does
9 the design, but part of the upfront planning process
10 is we, we will work with DDC and just explain to them
11 what needs to be done... [cross-talk]

12 COUNCIL MEMBER GIBSON: Okay... [cross-
13 talk]

14 VINCENT SAPIENZA: ...how it will connect
15 to other assets and I think that that's worked out
16 really well over the last couple of years.

17 COUNCIL MEMBER GIBSON: Okay, so in my
18 opening I talked about the commitment rate and this
19 subcommittee has obviously been looking at a number
20 of agencies and the commitment rate and I think DEP
21 has done a fairly remarkable job of not only
22 exceeding the city average but looking at a lot of
23 DEP projects and really making accurate projections,
24 right, I think that's a challenge for a lot of
25 agencies because there are a lot of unintended things

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2 that happen that we don't always foresee so I wanted
3 to specifically ask in 2017 DEP was able to commit 78
4 percent of its projects but the previous year there
5 was a, a little bit of a dip to 68 percent so I just
6 wanted to understand like with that type of
7 fluctuation although its not a major one, I've seen
8 far worse, is, is there anything that explains that
9 and how do you maintain year to year some sort of an
10 average of your commitment rate on some of your large
11 projects?

12 VINCENT SAPIENZA: So, we, we do have a
13 large capital plan essentially every year and it,
14 it's really... it's, it's planning in the years before
15 we get to that particular fiscal year what projects
16 do we need to do and what do we reasonably expect we
17 can get contracts out the door in, in any particular
18 year and you know I, I think we're very realistic
19 about what we can deliver so, so that goes up front
20 and then second is just holding the staff accountable
21 to make sure that that happens. At DEP we have senior
22 level bi-weekly procurement meetings that I sit in on
23 and we just go through schedules for procuring all
24 contracts whether they be construction contracts,
25 professional services, other purchases and we just

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2 make sure that we are on timelines to deliver those
3 things.

4 COUNCIL MEMBER GIBSON: So, within that
5 structure what do you think are some of the
6 challenges that the agency may encounter in your
7 ability to fulfil that commitment rate?

8 VINCENT SAPIENZA: Yeah, there, there can
9 be a, a variety of, of things Chair Gibson, it... there
10 are... there periodically are problems with, with
11 vendors when they, you know have to get, get there,
12 their... now it's called passport, it used to be called
13 VENDEX approved, there are often questions that get
14 raised with DOI or, or at MOX and then that can
15 periodically delay, you know the vendor approval for,
16 for months, there, there are, you know internal
17 problems with us just, just getting contracts, you
18 know approved through the legal process that, that
19 can delay things but again we try even before a
20 particular fiscal year to just make sure that, you
21 know we have the capability of, of getting as close
22 to 100 percent of our commitment as possible.

23 COUNCIL MEMBER GIBSON: Okay and within a
24 lot of the vendors you work with I can imagine that
25 your flexibility sometimes can be limited because

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2 there are a few number of companies that can actually
3 do this major capital work are you looking at all at
4 increasing the opportunities for additional vendors
5 that may not necessarily have the long standing
6 relationship with the department, with the city to
7 try to achieve more of a balance, you know so
8 obviously many agencies are, are looking at MWBE
9 firms and other firms within the city that don't
10 necessarily have the contracts with agencies but
11 could potentially do the work, is that something that
12 is on your radar in terms of ongoing conversation?

13 VINCENT SAPIENZA: It, it is and in, in
14 some cases there are just big contracts that can't be
15 unwound into smaller ones... [cross-talk]

16 COUNCIL MEMBER GIBSON: Right... [cross-
17 talk]

18 VINCENT SAPIENZA: ...but we have been
19 trying more and more to do that and I, I personally,
20 you know being at DEP for a long time always liked
21 having smaller contracts rather than one large
22 disruptive contract at a wastewater treatment plant
23 that, that effects, you know operations potentially
24 just doing it in, in smaller pieces and we've tried
25 to do that over the last couple of years so if you'll

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2 look at our, our capital plan I don't think you'll
3 see any of those or many of those big, you know multi
4 hundred million dollar projects we've tried to, to
5 break them into smaller pieces. One of the other
6 things we've been looking at too when we... when we
7 hire professional services to do things in the past
8 it had been a quality based selection, it's almost
9 exclusively so when we need work we'll have... through
10 the RFP process have people submit proposals,
11 companies submit proposals we'll look at them and,
12 and just based upon the quality of the, the
13 particular firm what has been their experience in,
14 in, in similar projects, how do they intend to do
15 that work and, and that often leaves out smaller
16 firms who may not have that prior experience or
17 expertise but we're looking to do more now instead of
18 just purely quality based is a, a value based so we
19 also want to look at what the price proposals are,
20 you know some, some smaller firms they're, they're
21 hungry to do work and we may see lower cost so going
22 forward we want to do more of those, those value
23 based rather than just quality based selections...

24 [cross-talk]

25

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2 COUNCIL MEMBER GIBSON: Okay... [cross-
3 talk]

4 VINCENT SAPIENZA: ...for professional
5 services.

6 COUNCIL MEMBER GIBSON: Okay, so this
7 year's current commitment plan is about 2.6 billion
8 dollars so do you expect to achieve even more of a
9 commitment rate than last year, are you guys aiming
10 higher? How much do you expect to commit?

11 VINCENT SAPIENZA: Well we... yeah, we...
12 again we, we meet bi-weekly, we just met last... wait a
13 minute was it last Monday... on Monday, we, we think
14 we're going to be over 80 percent, we're still
15 pushing to be over 80 percent... [cross-talk]

16 COUNCIL MEMBER GIBSON: Alright... [cross-
17 talk]

18 VINCENT SAPIENZA: ...so...

19 COUNCIL MEMBER GIBSON: Okay. I like when
20 we aim high, that's great, okay. So, throughout a lot
21 of the hearings and you know as I mentioned I was in
22 Albany with colleagues yesterday including the
23 Speaker so we've been talking a lot about design
24 build and I wanted to find out number one your
25 thoughts on design build, is it beneficial to you,

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2 have you used it on any other projects and do you
3 think that design build could be applicable to some
4 of your ongoing work?

5 VINCENT SAPIENZA: We do. There, there
6 are certain types of work that we, we, we don't think
7 design build is a good fit, they're just complex
8 designs or, or things that, you know we still need
9 to, to... you know put... develop scope on as, as the
10 designs move along but there are some straightforward
11 projects we think like tunneling work, you know
12 tunnels are built all over the country, all over the
13 world, there are firms with, with the expertise to do
14 that and so we think that type of work is, is
15 certainly amenable to design build and, and then
16 there are other projects as well so we, we support it
17 and we hope we get legislation to, to get approval to
18 do it.

19 COUNCIL MEMBER GIBSON: And what about
20 the Kensico would that project... [cross-talk]

21 MICHAEL DELOACH: Can I just add to that
22 really quickly... [cross-talk]

23 COUNCIL MEMBER GIBSON: Okay... [cross-
24 talk]

25

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2 MICHAEL DELOACH: ...so likely... [cross-
3 talk]

4 COUNCIL MEMBER GIBSON: Sure... [cross-
5 talk]

6 MICHAEL DELOACH: ...because of your help
7 and advocacy up in Albany for the first time ever
8 our two projects are two of I think ten or 12 that
9 both the senate and the assembly have included in
10 their One house bill as of last night so that's a
11 huge accomplishment and something that we haven't
12 seen before... [cross-talk]

13 COUNCIL MEMBER GIBSON: Which projects?

14 MICHAEL DELOACH: For us it's the Kensico
15 Eastview tunnel connection and some work that we're
16 doing at Hillview so two priority projects of the
17 Mayor that again are both included now in, in the
18 legislative One house bill so we're... [cross-talk]

19 COUNCIL MEMBER GIBSON: Great... [cross-
20 talk]]

21 MICHAEL DELOACH: ...very pleased.

22 COUNCIL MEMBER GIBSON: And the assembly
23 is voting on their One house today, wonderful. Okay,
24 that's great, great start. I wanted to ask about the
25 agencies and you know many times we've noticed that

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2 in terms of the budget lines there really isn't an
3 itemized list of some of the projects so for example
4 DEP has one budget line that includes the purchase of
5 equipment for use by the DEP and mandated payments
6 for a private gas utility relocation but it doesn't
7 give any specifics so its like one sentence and a
8 large amount and then it doesn't give details, so I
9 wanted to ask the department if that's something that
10 you would be willing to consider in terms of giving
11 us a little bit more details so we can understand
12 some of the more individualized projects that fall
13 under these budget items?

14 VINCENT SAPIENZA: And, and Joe I'll turn
15 it over to you because we talked a little bit about
16 this.

17 JOSEPH MURREN: Thank you Madame Chair. I
18 think there's a lot of merit to what you're
19 proposing, I think the problem that we run into... some
20 then particularly the example that you used of the
21 utility line that is one of the ones that would
22 probably be very difficult to break up because that's
23 our agreement that we have with primarily with Con Ed
24 and National Grid. When they're doing street work and
25 we're doing street work as well we have a reciprocal

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2 agreement that we... you know when they're doing work
3 at our behest that we, we reimburse them and when
4 they're doing... when we're doing work at their behest
5 they reimburse us so we go through and we true those
6 up and you know it's a very, you know large process
7 that we go through every year and it's, you know tens
8 of millions of dollars but there are I think a lot of
9 other projects that we probably could start looking
10 at and look at in terms of seeing how can we break
11 them down further and in particular I think one of
12 the things that we'd want to do is in probably
13 working with, you know you, your... the council and the
14 staff is seeing how we perhaps could look at what's
15 in the existing system of using the budget lines and
16 the budget codes to be able to, you know create more
17 transparency in terms of what some of those projects
18 are particularly for us it becomes, you know again
19 I'll... you know I'll say where we have a lot of funds
20 that we will allocate, you know as lump sums because
21 we don't know yet, like for emergency work when we
22 have to do emergency sewer or emergency water main
23 construction those we know happen for a certain
24 amount every year like 100 million dollars but we
25 don't know where they're going to be happening until

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2 they do... you know a break does occur so, those are
3 other ones that may not lend themselves that but
4 there is a lot of other ones that we can be working
5 with the council I think in terms of creating more
6 transparency into how we can, you know make it more
7 visible to, to, you know the council and other
8 oversights in the public in terms of where our money
9 is going to.

10 COUNCIL MEMBER GIBSON: Okay, no I
11 appreciate that, I think it's important for my
12 colleagues and I because the average resident, the
13 average New Yorker sees the work going on, the
14 disruption, the impact on their everyday life and
15 they don't know whether it's utility, DEP, you know
16 they just don't know so it's helpful for us
17 especially during the budget process to further
18 understand so if it's not that particular budget
19 item, if there are other suggestions the agency has
20 certainly we're amenable to further discussing that.
21 I think the broader goal of, of all of the work is
22 just to make sure that there is a system of an open
23 process where we can understand with the millions of
24 dollars we're talking about especially for projects
25 that are more long term that you can project as

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2 compared to emergencies and things that happen where
3 you have to go underground, I mean we understand that
4 so where we can find areas of agreement on
5 improvement I think that we should be willing to do
6 that.

7 JOSEPH MURREN: Definitely.

8 COUNCIL MEMBER GIBSON: Okay, so I have
9 two final questions before I turn it back over to the
10 Chair. The change order process, so I have a little
11 bit of experience working for a general contractor
12 and we worked on million dollar contracts and there
13 were times when we had a change order and at times
14 that could, you know significantly impact the entire
15 process itself so I wanted to understand your change
16 order process and where you find challenges within
17 that and how we can find areas of improvement?

18 VINCENT SAPIENZA: So, change orders have
19 historically been a challenge for, for New York City
20 in general so just what is a change order. When we
21 issue a construction contract there are certain
22 specifications, certain requirements in a contract
23 the contractor's expected to do but periodically when
24 a contractor is on site actually doing the work there
25 is some field condition that may be slightly

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different that is not required in the contract and so the contractor will say if you would like me to do this there will be a change order. So, just one specific example, I was at our 26th Ward Wastewater Treatment Plant last month and we have a contractor installing a new primary tank, he has to do excavation in, in, in a large patch came across an old 48 inch sewage pipe that may have been there for a 100 years, wasn't expected to be there so it wasn't in his contract to remove and he said to us if you'd like me to remove this pipe I will need money and a change order. The, the change order process in itself can take months to get approved and that often slows up projects because a contractor can say I'm not going to remove that pipe until I'm assured that you're going to pay me and it, it... and again it can take weeks if not months to get change orders approved and that's been a significant challenge. It, it has to go through several levels of, of approvals, it, it's just the onsite engineer can't say yes that, that pipe is there please remove it for 10,000 dollars it's, it's got to go all the way, in many cases to even get a Comptroller registration.

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2 COUNCIL MEMBER GIBSON: And the change
3 order process is approved by M... OMB?

4 VINCENT SAPIENZA: So, if we have a
5 change... if we identify, I need to remove this, this
6 buried pipe that was there, we didn't know it was
7 there and the contractor says its going to cost X and
8 we say well it's going to cost Y, we negotiate a
9 price... [cross-talk]

10 COUNCIL MEMBER GIBSON: Uh-huh... [cross-
11 talk]

12 VINCENT SAPIENZA: ...it's got to go
13 through several levels of approvals and I know Joe
14 you can talk about... [cross-talk]

15 COUNCIL MEMBER GIBSON: Okay... [cross-
16 talk]

17 VINCENT SAPIENZA: ...those, yeah.

18 JOSEPH MURREN: There will be some and
19 you know again Council Member and you're probably
20 familiar somewhat it depends on what the scope of the
21 contract was and you know in most of the construction
22 contracts there is some degree of contingency built
23 in so you will be able to go and get those component
24 pieces that are under the contingency amount through
25 the process somewhat quicker but if you've had more

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2 than one or numerous change orders that may occur on
3 a construction contract which is often can happen you
4 would then at that point have to be able to go back
5 to OMB and you know the Comptrollers Office to get
6 the registration, you know process from there. So, it
7 depends on the magnitude and the, the, the... of both
8 the change order as well as the project itself, you
9 know on smaller ones it's... you know could be a small
10 amount that could trigger the change order, on the
11 larger ones in over many years you may not have it
12 triggered early on but it could happen over the
13 course of time and then as you're getting towards the
14 end that's when they start compounding and that
15 becomes I think when some of the pressure happens
16 because you don't... you know you're, you're getting it
17 towards the final stages of it. One of the things
18 that we're looking at to improve this is one area
19 that... where you could have scope changes that were
20 not anticipated either planned or on planned we're
21 trying to be much more diligent in the engineering
22 process of looking at those projects as they go
23 forward and also while its developing and say when do
24 those occur and when does it require a change order
25 in that we could as much as possible try to

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2 anticipate it before the contract is even bid and
3 then during the course of the contract it may say
4 this is work that is outside the scope and we may
5 have to... do a whole new contract from there and
6 making that decision we think may also improve the
7 process as well because it'll tighten up our control
8 over, you know what's happening on that contract...
9 [cross-talk]

10 COUNCIL MEMBER GIBSON: Right. So, do you
11 typically have funding that is projected for these
12 change orders as best... [cross-talk]

13 JOSEPH MURREN: No, we, we, we... if we
14 have it in that specific contract, you know we will...
15 it's, it's on the CP level but it's not... [cross-talk]

16 COUNCIL MEMBER GIBSON: Okay... [cross-
17 talk]

18 JOSEPH MURREN: ...at the budget level so
19 we will go through during the course of the, the year
20 and that's one... [cross-talk]

21 COUNCIL MEMBER GIBSON: Got it... [cross-
22 talk]

23 JOSEPH MURREN: ...of the areas where as
24 you look at the commitment rate and you see, you know
25 that we commit 80 percent those... that other 20

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2 percent not commitment is where we would draw funds
3 from, you know during the course of the year to say
4 oh, we need to fund this change order so that's where
5 we'll use where there is some flexibility within the,
6 the budget to be able to use available resources to
7 cover some of those change order costs.

8 COUNCIL MEMBER GIBSON: Okay and my final
9 question as, as it relates to all of the upstate work
10 that the department does maintaining relationships
11 with local governments, I was a former assembly
12 member so many of those county legislators I know,
13 they all came from the assembly, how do you work with
14 the local governments with landowners and property
15 owners where you're going under their property, what,
16 what does that relationship look like and in terms of
17 the workforce do you have a unit at DEP that's
18 focused on working with like upstate county
19 legislators, how does that work?

20 VINCENT SAPIENZA: We, we do and that's
21 been a historical challenge because when New York
22 City built some of its reservoirs, you know more than
23 100 years ago we, we bought out a lot of property
24 owners, we picked up some towns and moved them
25 elsewhere and there's still a lot of hard feelings in

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2 some of these communities but I think we've worked
3 hard specifically through the filtration avoidance
4 process is to make sure that the needs of those
5 communities and, and, and the, the, the water supply
6 for New York City is met and our... you know folks
7 that, that work upstate and live upstate I think have
8 done a great job over the last, you know 15, 20 years
9 in reestablishing some of those relationships and
10 working closely with those municipalities you, you
11 know you mentioned some of the work that, that we're
12 doing for Kensico Eastview connection it's... [cross-
13 talk]

14 COUNCIL MEMBER GIBSON: Right... [cross-
15 talk]

16 VINCENT SAPIENZA: ...possible design build
17 that we want to do and also the, the Delaware
18 Aqueduct repair... [cross-talk]

19 COUNCIL MEMBER GIBSON: Right... [cross-
20 talk]

21 VINCENT SAPIENZA: ...where we are... again
22 we've needed easements from, from several property
23 owners to, to do work under their properties and you
24 know I think explaining to them what the work is we,
25

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2 we, we've come a long way from where we were I'm
3 going to say 20 years ago.

4 COUNCIL MEMBER GIBSON: Oh, definitely,
5 okay. Well thank you Commissioner, I really
6 appreciate it and like I mentioned I think the
7 department is doing a great job and in my capacity
8 Chairing this subcommittee certainly want to work
9 with you on best practices, on improvements in budget
10 items and, and certainly the ongoing relationships,
11 the interagency partnerships that you have with DDC
12 as well as utility companies, certainly want to thank
13 you for your work and keep that commitment rate up,
14 thank you very much.

15 VINCENT SAPIENZA: Thank you.

16 COUNCIL MEMBER GIBSON: Chair.

17 CHAIRPERSON CONSTANTINIDES: Thank you
18 Chair Gibson, before I pass it to Council Member
19 Grodenchik I do want to ask one question that my, my
20 colleague sent me via text. Relating to the, the
21 announcement of the feasibility study in January.. of
22 July of 2017 relating to the groundwater drainage
23 project in Southeast Queens, I know that the
24 groundwater there has been rising consistently
25 causing basement flooding, I know that Donovan

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2 Richards I know will talk a little bit further
3 probably about that but wanted to get a sense of, it
4 says that it'll be completed this... the radial
5 collection study will be completed by spring of 2018,
6 spring is about to start in seven days though it
7 doesn't feel like it outside what part of the spring
8 do you anticipate it being done?

9 VINCENT SAPIENZA: So, so I'll give a bit
10 of a preview so it, it just... as, as background water
11 was provided in, in many parts of Queens from the
12 Jamaica water supply through the 1990's so
13 groundwater was, was drawn and, and, and distributed
14 but, but over the last, you know I guess ten years or
15 so we've, we've stopped using all ground water from
16 Southeast Queens from Queens in general and provided
17 water to those residents from, from upstate water
18 supplies from, from the reservoir surface waters and
19 so what has happened is the ground water has started
20 to, to creep up over time and some homeowners are
21 actually seeing ground water getting into their,
22 their basements, you know we, we, we've seen some
23 businesses complaining that they have to periodically
24 pump and homeowners so we've looked at a bunch of
25 alternatives. One is to continue to pump ground water

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2 and not provide it as drinking water but just to
3 waste and our neighbors in Nassau County have a
4 concern with that because they use the ground water
5 supply as their primary source of drinking water and
6 they would like to keep as much of it in the aquifers
7 as possible, DEC has some concerns about pumping so
8 we started looking at and we call this, this, this
9 radial groundwater study as not, not actually using
10 pumps but just using gravity to peel off a certain
11 amount of ground water and bring it to places like
12 Alley Pond so we've done some modeling, some, some
13 assessment and it looks like we... there, there, there
14 may be some areas where we can reduce levels of, of
15 ground water in certain specific areas and again
16 we're putting the report together now, I've seen some
17 drafts and, and we'll, we'll have that done within a
18 couple of months.

19 CHAIRPERSON CONSTANTINIDES: Do we... do we
20 think we'll be able to get that done for FY '19 or at
21 least there will be some of that happening in this
22 fiscal year and what would that cost?

23 VINCENT SAPIENZA: So, so the, the, the
24 report and I don't remember off hand, the, the report
25 did have some costs in it for various levels of

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2 these, these essentially radial arms, I... off the top
3 of my head I don't remember but we'll, we'll have
4 that report done like I said.. I, I, I saw an
5 intermediate draft I guess I'll call... in the last
6 couple of weeks.

7 CHAIRPERSON CONSTANTINIDES: And I think
8 there's an opportunity for us to rehabilitate some of
9 that water for drinking use during the, the, the
10 possible shut down of, of the roundabout west
11 tunnels?

12 VINCENT SAPIENZA: Yeah so the, the, the...
13 one of the things that we had looked at is during
14 the, the period of time in late 2022, early 2023 when
15 we have to shut down the, the Rondout West branch leg
16 of the Delaware Aqueduct to, to make the, the
17 connection from the parallel tunnel we said will this
18 city have enough water supply just coming from the,
19 the Catskill Aqueduct and from Croton would we need
20 other sources of water like the old Queens
21 groundwater wells, the wells are still there we, we
22 think that without putting those wells back into
23 service we will... we will have enough water supply
24 from those other sources while the tunnel is shut
25 down.

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2 CHAIRPERSON CONSTANTINIDES: We will be
3 able to, to mitigate the flooding in Southeast Queens
4 that's coming from this groundwater based on this
5 radial collection?

6 VINCENT SAPIENZA: To, to, to a small
7 degree, yes, it, it won't... not everyone is going to
8 be happy but there are areas where groundwater by
9 gravity can be reduced and, and carried away.

10 CHAIRPERSON CONSTANTINIDES: I, I look
11 forward to hearing more because there's going to be
12 money well spent for those homeowners and, and the,
13 the, the residents in Southeast Queens with that I'll
14 turn it over to Council Member not Garodnick but
15 Grodenchik.

16 COUNCIL MEMBER GRODENCHIK: Thank you Mr.
17 Chair, Madame Chair, good.. it's still morning, good
18 morning Commissioner. Chair Gibson I just want to let
19 you know that the ACOMMITTEE CLERK SWANSTONO at DEP
20 is a former colleague of mine, Elisa Velazquez who I
21 had the pleasure of working with when she was the
22 General Counsel to borough president Melinda Katz,
23 she's outstanding, she's a former General Counsel at
24 MOXs and she's also my constituent so.. and a good
25 friend so we're in good hands there and she doesn't

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2 take... she is tough as nails, she doesn't take guff
3 from anybody except from the Commissioner of course.
4 Commissioner a couple of quick things, we are... I was
5 going to talk about chlorination and I might still,
6 we... you're dismantling on Springfield Boulevard just
7 South side of the Grand Central Parkway that... on a
8 large storage tank that's been there since... as long
9 as I can remember which is 58 years, do you have any
10 other plans to do that, I know that my district
11 Councilman Richards and others, Councilman Miller,
12 Councilwoman Adams, Councilman Ulrich we cover the
13 former Jamaica water supply so one, do you have plans
14 to get rid of other facilities like that and two, and
15 maybe more importantly if you get rid of those
16 storage tanks and other amenities that come with the
17 water system will you be disposing of any of that
18 land back to other agencies or the public so that's
19 my first question?

20 VINCENT SAPIENZA: So, these are... for the
21 old Jamaica water supply that drew ground water that...
22 the, the water was primarily pumped into those
23 storage towers, we've taken some down, the one in
24 Springfield we're taking down. I'm going to look...
25 Tasos Georgelis who's our Deputy Commissioner for

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2 water and sewer operations if he's got some
3 additional information.

4 TASOS GEORGELIS: Morning.

5 COUNCIL MEMBER GRODENCHIK: Good morning.

6 TASOS GEORGELIS: So, we do have plans
7 for two or three I think that we're looking at now
8 and we're obviously going to evaluate the rest of
9 them to see if they're unsafe and if we should be
10 taking them down.

11 COUNCIL MEMBER GRODENCHIK: I mean there
12 are very large ones in Holliswood I don't have a
13 problem with you taking them down I haven't gotten a
14 single complaint, a couple of people have called and
15 asked what's going on and I've seen the removal of
16 the paint which is being done in an environmentally
17 sensitive way I just want to make sure that we're
18 informed so... because you know we always... the
19 constituents always know before the elected officials
20 because they live right there so I would appreciate
21 any of that and I'm sure my colleague Mr. Richards
22 will have other questions about, about ground water
23 in Southeast Queens. I would ask you this question
24 though, if you're planning on peeling off some of
25 that water to Alley Pond which does have any number

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2 of vernal ponds and waterways in it that mostly sits
3 on top of the Terminal Marine and would you have to
4 pump the water up?

5 TASOS GEORGELIS: I don't know if I
6 mentioned Alley Pond, it's a... [cross-talk]

7 COUNCIL MEMBER GRODENCHIK: You did say
8 Alley Pond maybe you meant Baisley Pond.

9 TASOS GEORGELIS: I meant Baisley.

10 COUNCIL MEMBER GRODENCHIK: Okay. And
11 lastly on the chlorine, I am very concerned certainly
12 I, I've been following this issue since I first got
13 into government because I was working for
14 Assemblywoman Mayersohn in the late 80's when we
15 started to talk about this and I attended some of the
16 very first meetings with DEP regarding the outflow
17 into the, the CSO which is currently next to College
18 Point Boulevard and we have... they were going to be
19 baseball fields now its soccer fields that's how long
20 it took. My question with the chlorination, I am
21 concerned that we get it all or at least as much as
22 all as is feasible and I, I would rather delay that
23 to see that whatever technology you need to find to
24 be able to do that we worked very, very hard as you
25 know to restore Little, Little Neck Bay, the Alley

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its thriving now, it's a big fishery, it's, it's... a lot of people crab there, I don't want them to be eating the chlorine as well. I know that it's a balance that you have to take but is it... what is... what is currently the level of chlorine that you'll be able to take out of the bleach as you call it?

VINCENT SAPIENZA: So, yeah, it's, it's...

the, the chlorine that we'll be adding will be sufficient to kill many of the pathogens that would otherwise be in those CSO releases but the, the process to add sodium bisulfite which is a de-chlorinator we think can get the chlorine residual down very low. At, at the testing at some of our wastewater treatment plants we're able to get the residual chlorine down to tenths of part per, per million, you know we often say... you know our drinking water often contains, you know more than is acceptable to go into, to waterways because the marine biota are more sensitive but, but again when, when we eventually build these systems if that's the, the, the path forward we would always default to having less of a bacteria kill to avoid having any residual chlorine leak into those waterways.

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COUNCIL MEMBER GRODENCHIK: Is it a solid
3 that you use or is it a liquid or is it a gas?

4

VINCENT SAPIENZA: It's, it's a liquid
5 bleach, it's, it's just Clorox in a... in a slightly
6 stronger form.

7

COUNCIL MEMBER GRODENCHIK: Alright,
8 thank you Commissioner and its, it's been a pleasure
9 to work with you and I want to thank your staff for
10 being fairly responsive, we are still waiting for the
11 study on the 188th Street so if you could get to that
12 I... before this spring runs out, it's been a little
13 while now so I appreciate that so thank you Madame
14 Chair and Mr. Chairman.

15

CHAIRPERSON CONSTANTINIDES: Thank you
16 Council Member Grodenchik... Grodenchik I, I, I love
17 you brother, I... I see Keith Powers and it... and it, it
18 messed me up I'm, I'm so sorry Council Member
19 Grodenchik. With that said we've been joined by
20 Council Member Powers of Manhattan and with that
21 I'll, I'll turn it over for Donovan Richards for
22 questions and I'll find a hole to crawl into.

23

COUNCIL MEMBER RICHARDS: Thank you
24 Council Member Constacon... how do you say your last
25 name, I'm messing with you Constantinides it took me

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2 like a year to get that right. Thank you and I want
3 to thank the Chairs for this hearing. I wanted to ask
4 some quick questions so let's go into catch basins so
5 obviously we passed Local Law 48 in which you were
6 supposed to clean out all 148,000 street catch
7 basins; did we achieve that goal?

8 VINCENT SAPIENZA: We did, so last year
9 Council Member... [cross-talk]

10 COUNCIL MEMBER RICHARDS: Fell a little
11 short last year, right?

12 VINCENT SAPIENZA: Fiscal '18 we, we, we
13 got to about 99 percent, I mean there were... there
14 were some catch basins that we just physically
15 couldn't get to for a variety of reasons sometimes
16 cars were parked over them but we got very close to
17 the, the 100 percent and I, I just want to say, you
18 know we, we said in the testimony its really been a
19 terrific program, I mean its been more work for us
20 but we've been able to remove material more quickly
21 before the basins get filled, we've been able to, you
22 know address repairs when they are small before they
23 get large..

24 COUNCIL MEMBER RICHARDS: How many
25 defective basins did you find?

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2 VINCENT SAPIENZA: Do we have that
3 number... do we have that Tasos or... defective basins...
4 do you want to come up?

5 COUNCIL MEMBER RICHARDS: Come on up...
6 come on down. I think you have to state your name for
7 the record.

8 TASOS GEORGELIS: So, when we... when we
9 say... [cross-talk]

10 COUNCIL MEMBER RICHARDS: You have to
11 state your name for the record I think to... [cross-
12 talk]

13 TASOS GEORGELIS: Tasos Georgelis. So,
14 when, when we say defective we have two categories,
15 one are the ones that are non-functioning and then
16 the ones that need a repair, but it still functions.
17 So, in, in the last report I think it was somewhere
18 about... between two and three thousand were non-
19 functioning... [cross-talk]

20 COUNCIL MEMBER RICHARDS: Uh-huh... [cross-
21 talk]

22 TASOS GEORGELIS: ...but for repairs its
23 going to be a, a few thousand more so I think it's
24 around three percent... [cross-talk]

25

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2 COUNCIL MEMBER RICHARDS: And we've made
3 repairs to all of those... [cross-talk]

4 TASOS GEORGELIS: ...needed, needed
5 repairs.

6 COUNCIL MEMBER RICHARDS: You made
7 repairs to all of those?

8 TASOS GEORGELIS: So, we work on the ones
9 that are non-functioning first... [cross-talk]

10 COUNCIL MEMBER RICHARDS: Okay... [cross-
11 talk]

12 TASOS GEORGELIS: ...the priority one's
13 underneath safety, the ones with smaller repairs just
14 because the number and volume of work that we're
15 seeing I think is taking us a little longer to get to
16 but we're working on it as fast as we can.

17 COUNCIL MEMBER RICHARDS: Uh-huh,
18 alright, good and we would love to see numbers it
19 just gives us a little bit more..

20 VINCENT SAPIENZA: And, and what I'd like
21 to add Council Member as well is we've started to now
22 see complaints for catch basin issues come down...
23 [cross-talk]

24 COUNCIL MEMBER RICHARDS: Yeah, yeah
25 that's what the purpose of the Local Law was for,

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2 thank you Samara. I wanted to go into... so just speak
3 a little bit about coordination amongst the agencies
4 so obviously we're seeing a lot of work done and I
5 want to thank you Commissioner, I know its been a
6 long time to get here... taking a long time to get
7 here, can you speak to the coordination amongst the
8 agencies, DDC and then one of the holdups that
9 historically has really kept projects from moving
10 forward was DOT, right, because they needed to have
11 money in their budget so can you speak to what that
12 coordination looks like? I know I recently met with
13 DDC to acknowledge I think they have a whole unit now
14 dedicated to Southeast Queens, are you part of those
15 conversations or and can you speak to just
16 coordination on the... [cross-talk]

17 VINCENT SAPIENZA: Council Member we are...
18 we, we, we essentially now have daily conversations
19 with, with DDC but you're right a lot of it just
20 initially up front coordinating work that, that needs
21 to be done, we wanted to make sure that where we were
22 intending to put sewers in DOT didn't just put in a
23 new street or repave and, and we would rip that up so
24 we've done a lot better up front planning with, with
25 DDC just to make sure that, that everything has been

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2 coordinated and you know as, as you've noted work
3 over the last year or two has really started to ramp
4 up and, and move forward.

5 COUNCIL MEMBER RICHARDS: Okay, last two
6 questions. I'll, I'll go into air quality.. well let,
7 let me go to ground water quick, so when do you
8 anticipate the study, I know you went into a little
9 bit on the ground water what has the study found so
10 far, I mean could you go into some specifics.. and in
11 what areas are.. do you think we will look at to
12 address these areas, I, I know you can't get into the
13 whole thing but can you identify specifically..

14 [cross-talk]

15 VINCENT SAPIENZA: Yeah, so, so just
16 quickly.. [cross-talk]

17 COUNCIL MEMBER RICHARDS: ..any areas..

18 [cross-talk]

19 VINCENT SAPIENZA: ..the, the, the intent
20 of this study to.. was to look at are there areas of
21 Southeast Queens where ground water levels are above
22 even though you say its still be.. it's below the
23 ground but are higher.. [cross-talk]

24 COUNCIL MEMBER RICHARDS: Uh-huh.. [cross-
25 talk]

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2 VINCENT SAPIENZA: ...than some local
3 waterways like Baisley Pond... [cross-talk]

4 COUNCIL MEMBER RICHARDS: Uh-huh... [cross-
5 talk]

6 VINCENT SAPIENZA: ...so if, if that's the
7 case there may be the ability to put in just a pipe
8 that by gravity would collect that ground water below
9 a homeowner's basement or, or equivalent to a
10 homeowner's basement level and just by gravity have
11 that water drain into again Baisley Pond or another
12 natural... [cross-talk]

13 COUNCIL MEMBER RICHARDS: There would..
14 [cross-talk]

15 VINCENT SAPIENZA: ...water source... [cross-
16 talk]

17 COUNCIL MEMBER RICHARDS: ...no cost to the
18 homeowner?

19 VINCENT SAPIENZA: And there would be no
20 cost to the homeowner... [cross-talk]]

21 COUNCIL MEMBER RICHARDS: Okay... [cross-
22 talk]

23 VINCENT SAPIENZA: ...again we're looking
24 at... in, in the report, you know we, we, we're looking
25 at a bunch of different areas, in some areas it looks

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2 like this radial system will work and others we're...
3 we were hopeful it, it, it wouldn't and we're now
4 starting to develop, you know what, what the cost may
5 look like but again we should have the... I, I saw a
6 draft of the report about, don't know two weeks ago
7 and it should be out soon.

8 MICHAEL DELOACH: Yeah, I think the plan
9 is to meet with local stakeholders, elected
10 officials, community board folks, people that we've
11 been talking about this over the past few years and..
12 [cross-talk]

13 COUNCIL MEMBER RICHARDS: Okay... [cross-
14 talk]

15 MICHAEL DELOACH: ...present the results
16 and then have it public.

17 COUNCIL MEMBER RICHARDS: Okay, awesome.
18 Last question just on air quality complaints so I
19 think there's been an increase we've seen over the
20 last four months, can you speak to why we're closing
21 our air, air quality complaints less frequently than
22 we used to, what are the challenges?

23 VINCENT SAPIENZA: Yeah and I'll ask
24 Deputy Commissioner Licata to, to come up and.. she
25 manages our air noise and asbestos unit.

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2 ANGELA LICATA: Good morning, good
3 afternoon, I'm not sure what time it is right now.
4 So, with respect to noise complaints we have seen a
5 slight uptake.

6 COUNCIL MEMBER RICHARDS: Oh, I didn't
7 ask about noise but that's good to hear... [cross-talk]

8 ANGELA LICATA: Yeah, I understand...
9 [cross-talk]

10 COUNCIL MEMBER RICHARDS: ...too, how are...
11 [cross-talk]

12 ANGELA LICATA: ...I under... [cross-talk]

13 COUNCIL MEMBER RICHARDS: ...we addressing
14 both of them now?

15 ANGELA LICATA: I haven't seen the uptake
16 in the air complaints as, as significantly as we've
17 seen an uptake in noise complaints but the... what we
18 do with inspectors... [cross-talk]

19 COUNCIL MEMBER RICHARDS: Uh-huh... [cross-
20 talk]

21 ANGELA LICATA: ...for the air and the
22 noise unit is we have been increasing our use of
23 technology... [cross-talk]

24 COUNCIL MEMBER RICHARDS: Uh-huh... [cross-
25 talk]

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2 ANGELA LICATA: ...and just you know
3 speaking of the uptick it's a little difficult to see
4 that as a trend necessarily although we have seen in
5 the past several years a clear increase in complaints
6 associated with after hour construction so there is
7 no doubt that we believe that there is a construction
8 boom and that's relating to the increase in the
9 number of complaints.

10 COUNCIL MEMBER RICHARDS: Uh-huh and, and
11 we're... and we're still at that number roughly around
12 40 or 50 inspectors for the city, are there any...
13 [cross-talk]

14 ANGELA LICATA: We have now... and, and so
15 the Commissioner is showing me that in fact the four-
16 month year over year for air quality complaints has
17 actually come down that's why I got... I got a little
18 confused but I wouldn't look at that as too much of a
19 significant trend in terms of the increase or the
20 decreases I would say that we have a lot of
21 complaints with respect to air, engine noise,
22 quality, I think the improvement that we made with
23 respect to the Local Law 53 I think it is increasing
24 our authority under the noise code to enforce against
25 noise... [cross-talk]

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2 COUNCIL MEMBER RICHARDS: Uh-huh... [cross-
3 talk]

4 ANGELA LICATA: ...will be extremely
5 helpful so that piece of legislation I'm really
6 excited about, the possibilities associated with
7 implementing that I think that's both sensible
8 legislation that allows for our inspectors to have
9 certainty because they'll have an absolute noise
10 level standard at the street level but also will
11 allow the regulated community to have a better
12 understanding of what they really need to do to
13 mitigate their noise to have acceptable noise levels
14 on the ground... [cross-talk]

15 COUNCIL MEMBER RICHARDS: And your
16 average days to close out has increased?

17 ANGELA LICATA: Yes.

18 COUNCIL MEMBER RICHARDS: So... [cross-
19 talk]

20 ANGELA LICATA: There was an uptick in
21 the average days to close out however not really
22 looking at that is a large alarm, we did go back and
23 look at those numbers and we actually found that
24 there was an open ticket, this is our jargon but
25 there was an open ticket in Manhattan which was

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2 really a paperwork issue so we were able to close
3 that down. Once you closed out that particular job
4 the average day... [cross-talk]

5 COUNCIL MEMBER RICHARDS: Just one ticket
6 caused this?

7 ANGELA LICATA: Yes, yeah, yeah it was
8 open for a year. So, once we took that out we
9 actually normalized the data and there's not too much
10 of an uptick at this point but what I was saying
11 earlier is that we were... we're looking now at the
12 possibilities of technology... [cross-talk]

13 COUNCIL MEMBER RICHARDS: Uh-huh... [cross-
14 talk]

15 ANGELA LICATA: ...and so one improvement
16 that we've made is to give our inspectors in the
17 field these 62 inspectors plus supervisors have
18 access to handheld tablets, so they'll have more
19 immediate information at their fingertips. The other
20 thing we're experimenting with now is a heat map so
21 as we get those 3-1-1 complaints we're able to look
22 at those if they look like they're geographically
23 clustered we can send somebody out right away to say
24 okay what's going on and that becomes a more real
25 time response.

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COUNCIL MEMBER RICHARDS: Okay, well

3

thank you and I want to thank the Commissioner really

4

truly for the work that we're doing in our community

5

and you know we can see the results, we have... still

6

have a long way to go but we cannot... I can't sit here

7

and say there's been no progress, so we look forward

8

to our continued partnership with you over the next

9

four years or so to, to get this done.

10

VINCENT SAPIENZA: Alright and thank you

11

for your support and pressure.

12

COUNCIL MEMBER RICHARDS: Thank you.

13

CHAIRPERSON CONSTANTINIDES: Thank you

14

Council Member Richards. I just want to quickly piggy

15

back on something that both Chair Gibson and, and

16

Council Member Richards talked about which was the

17

catch basins, when there's work done by DDC on behalf

18

of DEP like replacing water mains do we go back and

19

inspect the catch basins post work to make sure that

20

they're up to par because right now there's a huge

21

project going on in Astoria where we're replacing

22

water main and the, the catch basins along those

23

streets are in horrid, horrid condition and I hope

24

that we're not going to wait a year to then go back

25

out and inspect them after this works been done?

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2 VINCENT SAPIENZA: That's, that's a great
3 point Mr. Chair and that's been a challenge for us
4 when there's any kind of street work whether its
5 installing you know subsurface infrastructures or
6 even you know mill... re-milling and paving of, of
7 roadways is... I think we have to do a better job of
8 going and inspecting our, you know catch basin
9 infrastructure once the work is done.

10 CHAIRPERSON CONSTANTINIDES: Alright, so
11 I guess I'll, I'll be sending you some information
12 relating to those particular... I wanted to make sure
13 what our coordination is with DDC to make sure when
14 that work is done that we go out and inspect like how
15 does... they, they're supposed to bring things back to
16 code when they finish the work, how do we... how do we
17 spot check to make sure that they're... you know that
18 the catch basins are part of that?

19 VINCENT SAPIENZA: Yeah, so, so under the
20 contract... the contracts require the, the... that the
21 person doing the work is to actually protect those
22 catch basins and they're supposed to put silt, silt
23 fabrics or other devices over the catch basins to
24 prevent material from, from getting in but you know
25 during busy construction things can happen and it,

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2 it, its... you know DEP should ultimately be looking at
3 those basins after work is done.

4 CHAIRPERSON CONSTANTINIDES: Alright,
5 great, thank you, I'm going to continue to, to follow
6 up with you about that because its right now the, the
7 entirety of the streets in bad shape but the catch
8 basins do not look in good condition and even after
9 the work is done if they do not look in good
10 condition. With that I'll turn it over to my
11 colleague Council Member Helen Rosenthal from
12 Manhattan.

13 COUNCIL MEMBER ROSENTHAL: Thank you so
14 much Chairs, welcome Commissioner, I actually going
15 to be asking questions with my member of the
16 Subcommittee on Capital Budget hat on. Although I
17 want to start by asking where can members of the
18 public get the water bottles that you guys are
19 displaying and is it BPA free?

20 VINCENT SAPIENZA: Yeah, so we
21 periodically, periodically have events where we hand
22 them out and I don't know where's the, the best place
23 to marry up the... [cross-talk]

24

25

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2 COUNCIL MEMBER ROSENTHAL: I'm just
3 saying maybe when you're testifying in front of the...
4 [cross-talk]

5 VINCENT SAPIENZA: Yeah, well, we'll,
6 we'll... [cross-talk]

7 COUNCIL MEMBER ROSENTHAL: Okay... [cross-
8 talk]

9 VINCENT SAPIENZA: ...you know we'll bring
10 you some... [cross-talk]

11 COUNCIL MEMBER ROSENTHAL: So, I noted...
12 I, I really want to compliment you on page nine in
13 your testimony, you were talking about your cost
14 savings initiative and I mean the one about glycerol
15 is just great, a 50 percent reduction that's
16 astounding and then the operational systems that,
17 that seems meaningful but, but let's transfer that
18 thinking to the capital... to capital contracting, have
19 you identified ways to capture savings on the capital
20 side through procurement changes?

21 VINCENT SAPIENZA: So, when we're
22 developing a, a capital contract we, we generally
23 will work with, you know design professionals to
24 determine what, what equipment is the most efficient
25 meaning that has, you know lowest energy use or, or

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2 emissions and, and we look at life cycle costs as
3 well so we're looking at, you know a piece of
4 equipment maybe slightly more expensive but it uses
5 much less energy so while, while doing that work,
6 while identifying the equipment that's going to be
7 installed under the capital contracts we're, we're
8 generally always looking at those types of things..
9 [cross-talk]

10 COUNCIL MEMBER ROSENTHAL: So... right,
11 what I'm talking about... that's great... [cross-talk]

12 VINCENT SAPIENZA: Yeah... [cross-talk]

13 COUNCIL MEMBER ROSENTHAL: ...I appreciate
14 you. What I'm talking about is literally in the
15 process of procurement where you can find savings so
16 for example, passport and I am the former Chair of
17 the Committee on Contracts was supposed to result in
18 savings, reductions in costs because the capital
19 contracting process or any contracting process would
20 be faster and easier and I heard... what I heard you
21 say about where the... where things get stopped not
22 changing or not being fixed with passport another
23 words it still gets stuck in DOI or law department or
24 MOX.

25

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2 VINCENT SAPIENZA: So, I think some of
3 the changes that have been made in procurement have
4 helped and, and passport I think in... overall has
5 helped the process it's just that when information
6 and passport raises a red flag, you know a company
7 has whatever some prior history of something.. [cross-
8 talk]

9 COUNCIL MEMBER ROSENTHAL: I'm very proud
10 of those red flags, I think they named them red flags
11 because I kept calling them red flag not that I'm the
12 only person who does that but its critical for your
13 agency in my mind's eye because my guess is they're
14 aren't that many bidders.

15 VINCENT SAPIENZA: And, and, and that's a
16 great point so some of the larger work we're doing if
17 we're... for the 20 million dollar, 50 million dollar,
18 100 million dollar project we see few bidders and
19 particularly with the economy good and a lot of
20 companies busy with other projects we, we, we often
21 in some cases we get... we've had a couple where we've
22 had two bidders... [cross-talk]

23 COUNCIL MEMBER ROSENTHAL: What's the
24 most number of bids you've ever... what type of project
25 gets the most number of bids?

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2 VINCENT SAPIENZA: The, the, the smaller
3 stuff we do so if its... some, some of the, the water
4 and sewer work if we're doing a small above ground
5 structure we'll get a lot of bids, some of the
6 maintenance work we do at our wastewater treatment
7 plants where we're replacing simple equipment, pumps
8 or piping we... [cross-talk]

9 COUNCIL MEMBER ROSENTHAL: How many is a
10 lot?

11 VINCENT SAPIENZA: We, we, we... on some we
12 get eight to ten bids in some cases. In some more
13 complex work we do, we only get two bids and like I
14 said and, and a lot of bigger companies are very busy
15 with other work throughout the city, throughout the
16 world and... [cross-talk]

17 COUNCIL MEMBER ROSENTHAL: Do you compete
18 with the MTA for tunneling for example?

19 VINCENT SAPIENZA: We all do this,
20 there's a very small number of companies that do that
21 specific type of work and when we, we, we looked at
22 the, the Delaware Aqueduct bypass tunnel that we bid
23 this is two years ago now, its contract BT2, a 707
24 million dollar project there are very few companies
25 that can do 707 million dollar tunnel jobs and that's

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2 what we, we face periodically but again we've been
3 trying over time Council Member is to, to break down
4 contracts into, into smaller bites and, and the other
5 thing too I think as, as everybody knows of the, the
6 bids have been coming in higher in the last couple of
7 years and we've seen some stability I guess in, in
8 fiscal '18 but fiscal '16... [cross-talk]

9 COUNCIL MEMBER ROSENTHAL: I mean...
10 [cross-talk]

11 VINCENT SAPIENZA: ...and '17 is... [cross-
12 talk]

13 COUNCIL MEMBER ROSENTHAL: ...my concern is
14 that part of the reason they're coming in higher is
15 because there's something about the procurement
16 system that actually keeps multiple firms from
17 getting engaged. I've heard from companies as it has
18 to do with the MTA who do subway work for
19 Philadelphia, Boston, New Jersey but won't bid on MTA
20 contracts because of the procurement rules that have,
21 you know come up over time that are basically biased
22 toward some firms so that... and certainly this was the
23 situation and Mr. DeLoach is very familiar with this
24 because he was incredibly helpful but with the DOE
25 contract that was 600 million where there was 600

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2 million of fluff it was there because of how the
3 procurement was written, once we wrote it differently
4 so that there was not a single provider, you know
5 because there was really only one provider who could
6 do what the city was asking for. In truth the city
7 didn't need that provider at all and once that was
8 cleaned up the contract went from 1.2 billion down to
9 450 something million dollars so what I'm... that's
10 what I trying to get at.

11 VINCENT SAPIENZA: So, so a couple of
12 things, one is you know when we, we put together our
13 contract specs we try to make sure that, that the,
14 the process is competitive where there will be
15 multiple firms, we don't just, you know look at one
16 particular firm on that it... but, but just to... in, in
17 general, you know some of the, the city's rules for
18 insurance and bonding that make it tough for, for,
19 for companies... [cross-talk]

20 COUNCIL MEMBER ROSENTHAL: Well... [cross-
21 talk]

22 VINCENT SAPIENZA: ...it... the payment
23 processes it often takes a long time to issue
24 payments to companies and... that boxes out some...
25 [cross-talk]

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2 COUNCIL MEMBER ROSENTHAL: So, passport...

3 [cross-talk]

4 VINCENT SAPIENZA: ...of the smaller firms...

5 [cross-talk]

6 COUNCIL MEMBER ROSENTHAL: ...if you get
7 them in the finance portal is going to end that so
8 are your contracts in the finance portal yet or are
9 they only in for RFP, RFP?

10 JOSEPH MURREN: I would have... I believe
11 they are... you know we're in just this... I don't think
12 we're in the pass... the payment portal but I'll have
13 to... [cross-talk]

14 COUNCIL MEMBER ROSENTHAL: So, I would
15 urge you to get in there because it's a tired excuse
16 for contractors to say that they have to bid higher
17 because we don't pay that's no longer true and so to
18 the extent that your ACOMMITTEE CLERK SWANSTONOs can
19 become facile on this you will save the city money or
20 we need you to be pushing harder when you're putting
21 out bids to make sure that you're wiping out the
22 fluff that's in there for late payments.

23 JOSEPH MURREN: Yeah and... [cross-talk]

24 VINCENT SAPIENZA: And, and, and I didn't
25 mean to say that, that they were bidding higher

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2 because of, of the time it takes to get paid but it,
3 it does box out some smaller firms who can't front
4 that money to pay those... [cross-talk]

5 COUNCIL MEMBER ROSENTHAL: So, what I'm
6 saying is that shouldn't be happening anymore that to
7 the extent that you can get them the contract they
8 should be invoicing and getting paid within three
9 months and the city is also willing, they've done
10 this with the human service contracts to, you know
11 prepay for contracts we know we're going to sign and
12 that's simply a matter of timing.

13 VINCENT SAPIENZA: Did you want to add
14 anything...

15 JOSEPH MURREN: And I... I'll... and thank
16 you for that Council Member, yes and I think that
17 model is something we have not used on the
18 construction side, I think its an interesting concept
19 that we'd probably like to explore, and I think..
20 [cross-talk]

21 COUNCIL MEMBER ROSENTHAL: I mean if
22 that's what... [cross-talk]

23 JOSEPH MURREN: ...it would do a lot for
24 us... [cross-talk]

25

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2 COUNCIL MEMBER ROSENTHAL: ...would bring
3 in smaller companies and start to drive down costs
4 that would strike me as something that could be a top
5 priority for DEP.

6 JOSEPH MURREN: I would add though that
7 there is a degree of complexity that we also had to
8 be cognizant of which is... [cross-talk]

9 COUNCIL MEMBER ROSENTHAL: Of course...
10 [cross-talk]

11 JOSEPH MURREN: Yeah, when you have a
12 human service... [cross-talk]

13 COUNCIL MEMBER ROSENTHAL: It took me
14 four years to understand contracts, I get complexity...
15 [cross-talk]

16 JOSEPH MURREN: Oh, no, no, no I... what,
17 what I'm saying... [cross-talk]

18 COUNCIL MEMBER ROSENTHAL: ...and I get the
19 fact that there is Manisha in every field that makes
20 it different, we have to get over that, its' time to
21 interrupt that thinking, that is true in every area
22 of business so that cannot be a hurdle you can't get
23 over.

24

25

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2 JOSEPH MURREN: And I agree, and I think
3 we have to bring our game up and as I will speak to
4 Councilman Grodenchik who has left but... [cross-talk]

5 COUNCIL MEMBER ROSENTHAL: Grodenchik...
6 [cross-talk]

7 JOSEPH MURREN: ...where we had...
8 Grodenchik, I apologize... [cross-talk]

9 COUNCIL MEMBER ROSENTHAL: But I get
10 that, Grodenchik... [cross-talk]

11 JOSEPH MURREN: But where, you know our
12 ACOMMITTEE CLERK SWANSTONO is bringing that to bear
13 and we're working closely with all of our bureaus
14 especially on the contracting side, I think one of
15 the big things that the Commissioner alluded to is up
16 front where we're doing better planning I think now
17 and also doing better scope development. It's...
18 [cross-talk]

19
20 COUNCIL MEMBER ROSENTHAL: Exactly and
21 what I need you to do on the capital budget side is
22 translate that into savings even if its savings that...
23 here's my concern that all of that good critical and
24 of course that's your job so all of that work is
25 translating into savings and what I am concerned
about is the bidders who are used to getting 500

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2 million dollar contracts still think they should be
3 getting 500 million dollar contracts when you through
4 your good scoping and no longer having to have as
5 many change orders etcetera have really brought the
6 cost of that contract down to 450 million dollars.

7 JOSEPH MURREN: Right... [cross-talk]

8
9 COUNCIL MEMBER ROSENTHAL: And I need you
10 to demonstrate to the taxpayers that you're capturing
11 that savings, we need... [cross-talk]

12 JOSEPH MURREN: Yes... [cross-talk]

13
14 COUNCIL MEMBER ROSENTHAL: ...you to do
15 that and I don't... I, I... it would be extraordinary if
16 DE... DEP could lead the way on literally tracking that
17 and you could do that now through passport.

18 JOSEPH MURREN: Yeah and we're... [cross-
19 talk]

20
21 COUNCIL MEMBER ROSENTHAL: It's the tool...
22 [cross-talk]

23 JOSEPH MURREN: ...working... and we will
24 work with the system and we will work with, you know
25 our oversights which includes both, you know MOX, OMB

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2 and ultimately the Comptroller as well to, you know
3 get those savings there and I think we're, we're
4 working towards that and we will get there and we
5 work for... look forward to working with the council on
6 that as well.

7 COUNCIL MEMBER ROSENTHAL: Yeah, it would
8 be great to see that as a... for our capital
9 subcommittee to see that as an indicator at next
10 years budget hearing. So, I'm just putting that out
11 there. Two last quick questions, does DEP have a role
12 in fixing ponding?

13
14 VINCENT SAPIENZA: Street ponding from,
15 from storm runoff, yes. So, there are... [cross-talk]

16 COUNCIL MEMBER ROSENTHAL: Can I bring
17 you out to ten sites in my district?

18
19 VINCENT SAPIENZA: Sure. Yeah, so there..
20 [crows-talk]

21 COUNCIL MEMBER ROSENTHAL: That's all I
22 want to know.

23
24 VINCENT SAPIENZA: We, we will go out and
25 take a look... [crows-talk]

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COUNCIL MEMBER ROSENTHAL: Thank you...

[cross-talk]

VINCENT SAPIENZA: ...at, at... [cross-talk]

COUNCIL MEMBER ROSENTHAL: Because DEP isn't... I mean DOT isn't helping so I'd love to find another agency that could help me with ponding. And lastly I'm wondering and this is just totally I'm back to... sorry Chairs, a different issue so stay with me for one second, now I'm just putting on my mere Council Member hat, do you have the capacity, the, the software networking capacity to know by address whether or not the complaints that you have inspectors going to and, and resolving can be connected with the Department of Buildings so another words the Buildings Department and also HPD you could look up an address, see the complaints but I'm thinking about tenants that have complaints that fall into all the agencies, is there any way from your side to connect by address with DOB or HPD or DOF for that matter?

VINCENT SAPIENZA: Yeah, I'm not sure if we do I'm going to look to my folks... alright, I'm

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2 going to ask Cecil McMaster who's our Chief
3 Information Officer to come up.

4 COUNCIL MEMBER ROSENTHAL: Great and we
5 can follow up on this after I realize it's a little
6 off topic so my apologies.

7
8 CECIL MCMASTER: Yeah, so I'm Cecil
9 McMaster CIO for DEP, yes, we could connect to the
10 other agencies by address.

11 COUNCIL MEMBER ROSENTHAL: Oh, you are my
12 new favorite friend, can I have your card, and could
13 we meet and discuss that?

14
15 CECIL MCMASTER: Yes.

16 COUNCIL MEMBER ROSENTHAL: Oh, that
17 really ended on a high note, thank you so much
18 Commissioner and thank... [cross-talk]

19
20 CECIL MCMASTER: Thank you Council
21 Member.

22 CHAIRPERSON CONSTANTINIDES: Thank you
23 Council Member Rosenthal, we're joined by Council
24 Member Yeger from Brooklyn and now for questions
25 Council Member Powers.

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COUNCIL MEMBER POWERS: Thank you, I'm

going to be quick because I apologize I have to
leave, I think he just got raise by the way and thank
you Commissioner for being here and the team from
DEP, I, I... you guys have a, a sometimes unnoticed
mandate in the city and I know you do an important
job for, for all of us and I share Council Member
Rosenthal's and others, you know questions about cost
savings but also the work you're doing so I
appreciate it. I just... on the cost savings side I, I
note that you have some stuff around the reduction of
chemical costs and on, on the operating side and
some, some time ago in a former life of mine I
actually worked with the very good you have at DEP at
one of the wastewater plants around looking at
magnesia actually as a replacement chemical as you
actually I think were at the initial meeting of pre,
pre being Commissioner I, I, I wanted to note two
things first of all the... I think it was Jerry Fergias
[sp?], Art Spangle that team was, was fantastic and
I, I hope they're... I hope they're all still there and
they're great and one of them is a constituent of the
Chair by the way but so I wanted to do that plug, I
sort of think sometimes the staff goes unnoticed but

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2 is that factored into... is that program still
3 happening, is that pilot still going on or its
4 probably not a pilot anymore and is that factored
5 into your... I, I note that because I know... also
6 remembered that some of the folks who worked there
7 appreciated having something that was safer than the
8 existing product that would not cause safety concerns
9 for the staff?

10
11 VINCENT SAPIENZA: Well I'll give a
12 little background then I'm going to ask Pam Elardo
13 our Deputy Commissioner for Wastewater Treatment to
14 come up but to do PH adjustment on our plants we've
15 long used sodium hydroxide, its... it works very well
16 but, but it can be corrosive and so we've looked at
17 magnesium hydroxide, I know we've done a pilot and
18 Pam do you know...

19 PAM ELARDO: Good morning, its... I'm Pam
20 Elardo, I'm Deputy Commissioner for the Bureau of
21 Wastewater Treatment, great to meet you all. Yes,
22 we're constantly looking at different ways to use the
23 best chemicals, the most cost-effective chemicals and
24 the safest so magnesium hydroxide is a perfect
25 example of that. We did do a pilot in one of the
treatment plants, I'm pushing that as a reportable

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2 metric to meet on a quarterly basis as how we're
3 going to roll that out to the other plants
4 fortunately it doesn't take a lot of additional
5 infrastructure or additional cost, it might be some
6 new piping systems relatively straightforward not new
7 tankage but overall its going to be cheaper, its more
8 effective and safer for, for our employees. And, and
9 on top of that we, we, we researched advantages
10 throughout... for our industry all the time and we also
11 take employee input and a lot of times an employee
12 will come up with why are we using this chemical and
13 concerns about safety will really drive us towards
14 the most cost effective and safe, safest solutions.

15 COUNCIL MEMBER POWERS: Great, thank you.
16 Thanks a lot, I'm sorry I have to leave early but
17 thanks, thanks so much.

18
19 CHAIRPERSON CONSTANTINIDES: Thank you
20 Council Member Powers. Just quickly talking about
21 facility security checks, according to the Mayor's
22 MMR the number of facility checks has decreased from
23 98,528 in the first four months of fiscal of '17 to
24 89,606 during the same period in fiscal '18, what's,
25 what's the rational for those.. the decreasing in
checks?

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2 VINCENT SAPIENZA: Yeah, so Mr. Chair New
3 York City DEP is the only municipal water supplier in
4 the country that has its own police force, so we have
5 200 officers who patrol our, our, our water shed
6 territories and do those security checks. Over, over
7 the past year we've had some attrition there in the
8 police force some, some members have, have left to go
9 to other municipalities, they move upstate and
10 they've, they've joined police forces there but
11 fortunately we have 38 new officers who are going
12 through our academy right now and this spring they
13 will be out at the sites and having that new class of
14 38 will get our numbers back up to where they need to
15 be.

16 CHAIRPERSON CONSTANTINIDES: So, once we...
17 so those... that's all we'll need is those 38 or we
18 need to add more of a head count?

19
20 VINCENT SAPIENZA: Once we're at 38 we
21 will be at full head count.

22 CHAIRPERSON CONSTANTINIDES: Then we'll
23 be back to our full 200 and then we'll have the
24 ability. So, what is our... and I, I don't want to know
25 the details of it, right so I'm just asking if it... if

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2 it exists, we can talk offline of what it actually is
3 but does the department currently have a terrorism
4 action plan so if something does go wrong at the
5 water supply we do have some sort of plan in place to
6 deal with that, correct?

7
8 VINCENT SAPIENZA: We, we do both
9 terrorism and counterterrorism as well to, to... you
10 know we, we get a lot of attempts into our computer
11 systems as well and Cecil McMaster who, who was just
12 up here, our Chief Information Officer works closely
13 with NYPD and the FBI on that.

14 CHAIRPERSON CONSTANTINIDES: So, there's
15 coordination amongst the agencies to keep the water
16 supply safe and..

17 VINCENT SAPIENZA: Absolutely... [cross-
18 talk]

19
20 CHAIRPERSON CONSTANTINIDES: ...again I'm
21 not looking to broadcast it here today I just want to
22 make sure that it exists. Alright and then so the
23 other questions I have around the elimination of the
24 Owls Head wastewater treatment, the watering
25 contract, I'm looking at an... I know that the docks
were in very poor condition, what are our plans to

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ensure that other agency docks do not ever reach that sort of level of disrepair, we can sort of get in front of these sort of challenges?

VINCENT SAPIENZA: So, so to remove

sludge from most of our treatment plants we have large vessels that come in and sludge is loaded onto those vessels and then they, they... it goes over for further processing off site, the dock at Owl Head it, it... that actually been inspected not long before we, we noticed some squishiness in the roadway leading to the dock, the bulkhead itself was, was in good shape but we, we were concerned about vehicles driving onto that roadway to help load the, the, the sludge vessel so what we've been doing for, for the last year and a half or so is de-watering that sludge on site rather than having liquid sludge go onto the boat while those repairs continue but Mr. Chair we, we, we have and we continue to look at the, the docks at all of our wastewater treatment plants to make sure that the... they're, they're stable at this point.

CHAIRPERSON CONSTANTINIDES: How often do

we inspect them or make sure that they're in good working condition... [cross-talk]

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VINCENT SAPIENZA: Pam and... Pam or Jim,

3

the dock inspections. This is Jim Mueller our Deputy

4

Commissioner of... [cross-talk]

5

CHAIRPERSON CONSTANTINIDES: If he... if he

6

can just state his name for the record before he

7

begins speaking... [cross-talk]

8

9

JIM MUELLER: Sure, Jim, Jim Mueller. So,

10

we'll do... right... we've been working with EDC to

11

program dock inspections throughout the city, its

12

been a very valuable program, I know Pam and... Pam's

13

staff has also, also been intricately involved so you

14

know we can provide more information on, on the

15

status of that but its' been a very good

16

collaboration with EDC and ourselves to do that kind

17

of inspection.

18

CHAIRPERSON CONSTANTINIDES: And, and you

19

said how, how often are they being inspected or...

20

21

JIM MUELLER: I don't know if, if there's

22

a recurring frequency to it, I think they haven't

23

been inspected in quite some time, so a lot of these

24

inspections are happening now, and we can provide

25

more information on that.

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CHAIRPERSON CONSTANTINIDES: Can you provide that information to this committee, you know before the next hearing?

VINCENT SAPIENZA: I, I know that some... I just want to say I know that some had, had been inspected, I know Owls Head because I had seen that report previously, Rockaway I know had been inspected previously so...

CHAIRPERSON CONSTANTINIDES: And, and then... okay, and the last question I have relates to again the, the FAD which is... you know you outlined and, and talked about it in great detail but the, the preliminary Mayor's MMR notes a decrease in the number of acres of land solicited in the water shed from 13,000 to about 7,800 in fiscal '18 why are we purchasing fewer acres of land upstate?

VINCENT SAPIENZA: So, one very important programmatic feature is purchasing land around our water shed territory so that we are the owners and can set aside that land for, for any future development that may take place that, that could potentially affect our water supply. We've, we've had this land acquisition program now for, four decades

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2 and its always been willing buyer, willing seller so
3 we'll solicit property owners, hey would you like to
4 sell your lands here's what we think the, the value
5 of your property is and that, that's... we've done a
6 great job I think over the last 20 years or so but I
7 think as the program matures there's been less and
8 less owners of property who, who want to sell, they
9 want to stay in their land and Dave Warren who's an
10 Assistant Commissioner on our water supply if you got
11 anything to add, Dave.

12 DAVID WARREN: Good afternoon, yes, my
13 name is David Warren I'm Assistant Commissioner with
14 the Bureau of Water Supply. As the Commissioner
15 mentioned in his testimony we just passed a great
16 milestone with the land act program, we purchased
17 150,000 acres since 1997, our new FAD continues to
18 set solicitation requirements for DEP at roughly the
19 same rate they have been historically. The FAD that
20 just completed we had a six year, 300,000 acre
21 solicitation goal, the new FAD has a seven year,
22 350,000 acre solicitation goal so again continuing to
23 solicit at roughly the same pace that we have been in
24 recent years and I would just point out that 2017 was
25 our highest year of acquisitions that is signing

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2 contracts since 2012 so we continue to acquire land
3 through the ongoing solicitation process.

4 CHAIRPERSON CONSTANTINIDES: But... so and
5 it looks in... is that because we were soliciting
6 doing more in 2017 and it looks like our, our numbers
7 are down as far as solicitation so...

8
9 DAVID WARREN: Our, our solicitation... in
10 the recent FADs our solicitation goals have been set
11 as multi year goals rather than, than annual goals
12 that allows us some flexibility within the program
13 to, to pace our solicitations. We also do
14 solicitations in batches throughout the year so that
15 partial year number may not fully reflect where we
16 will be by the end of the fiscal year because we, we...
17 you know we sort of batch process, we'll send out a
18 bunch of letters, do solicitation on those properties
19 and then we'll do more later as the year goes on.

20 CHAIRPERSON CONSTANTINIDES: And how do
21 we hold ourselves accountable on the purchasing... if
22 we're only required by law to solicit but not to
23 purchase a certain amount of land?

24
25 DAVID WARREN: Right, so when the land
acquisition program began the communities in the

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2 water shed expressed a lot of concern that if the
3 goals were expressed as acquisition goals that the
4 city could potentially resort to condemnation so
5 though the negotiation of the water shed agreement in
6 the mid 90's it was agreed that the, the target would
7 be a solicitation with the city required to follow
8 through if we solicit a property owner and the
9 property owner expresses interest in selling to us we
10 are obligated to follow that through to, to purchase.

11 CHAIRPERSON CONSTANTINIDES: Alright, so
12 we're, we're, we're staying on top of this, see more
13 in the exec and, and to talk further to make sure
14 that we stick to our goals and we're able to keep the
15 FAD because ten billion dollars.. I know that the
16 taxpayers don't.. you know the, the water and sewer
17 rate payers ten billion dollars would be a hit to
18 water rates that would be irrecoverable, correct?

19
20 DAVID WARREN: Yeah...

21 CHAIRPERSON CONSTANTINIDES: So,
22 everyone's nodding yes so, so you need to verbalize
23 it then. So, with that I, I will thank you
24 Commissioner and for everyone at DEP for all of your
25 work, I look forward to getting some of the

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2 information from you and hearing more as the year
3 progresses, thank you Commissioner for your
4 testimony.

5 VINCENT SAPIENZA: Thank you all.

6
7 CHAIRPERSON CONSTANTINIDES: So, we have
8 one member of the public to testify today, we have
9 Phil Vos From Energy Vision. Alright, Mr., Mr. Vos
10 let's make sure your microphone is on and you can
11 give your testimony.

12 PHIL VOS: Okay, got it, alright. My name
13 is Phil Vos and I thank the Chair and the committee
14 for this opportunity to testify on behalf of Energy
15 Vision in New York Bays 50... 501C3 environmental group
16 and a leading expert on alternative fuels for heavy
17 duty vehicles. This testimony relates to another
18 aspect of the committee's work which is your work
19 with the Mayor's Office of sustainability in
20 developing sustainability policy. We encourage the
21 committee and the Mayor's Office of Sustainability to
22 work to align city vehicle and fuel procurement
23 policies with the city's climate and clear air goals
24 by phasing out the use of diesel fuel among city
25 fleets. Calling climate change an exponential threat

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2 the city's 2015 New York City clean fleet document
3 set a goal to cut greenhouse gas emissions or GHGs
4 from city vehicle fleets 80 percent by 2035.

5 Biodiesel blends and electric vehicles have enabled
6 some progress but achieving the ambitious 80 percent
7 target will require a major shift away from using
8 diesel fuel. City diesel vehicles consume 60 percent
9 of all fleet fuel and emit 63 percent of all GHGs.

10 Fortunately, appropriate technology... alternative
11 technologies exist proven, commercial and cost
12 effective compressed natural gas or CNG has been
13 successfully deployed in New York buses and
14 sanitation trucks and its expanded use opens the door
15 for two even cleaner options; biomethane fuel and
16 near zero emission engines. Any CNG vehicle can use
17 biomethane which is made by refining biogases from
18 decomposing organic wastes, it has greenhouse gas
19 emissions 70 percent or more lower than diesel and 40
20 percent or more lower than fossil natural gas.

21 Biomethane made from food waste can actually be net
22 carbon negative which means that capturing the biogas
23 to make it prevents more GHG emissions than it
24 releases when combusted. Biomethane also called
25 renewable natural gas is being used now in hundreds

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of UPS trucks and tractor trailers and in the refuse
fleets of haulers like our public services and waste
management. Santa Monica's entire bus fleet runs on
it, LA is piloting it in 300 buses and in England,
Bristol, Nottingham and Redding have all introduced
biomethane buses. With, with abundant organic waste
streams New York could produce its own fuel,
biomethane now produced at fresh kills landfill is
being sent to California via pipeline. As noted in
DOPs... in DEP's testimony food waste is now being
added to sewage at the Newtown Creek Wastewater
Treatment Plant to boost biogas production for
biomethane. This could be replicated at other
wastewater treatment plants. Gas from commercial food
waste alone could displace 12 million gallons of
diesel fuel, the addition of residential organics
could displace all fleet diesel and drive the city's
goal of zero waste to landfill. Heavy CNG vehicles
that can use biomethane can also be fitted with EPA
certified near zero engines, these engines cut health
damaging nitrogen oxides and particulate matter 90
percent below EPA requirements. This would
particularly benefit the often-poor neighborhoods
that house many of the city's truck and bus depots.

COMMITTEE ON ENVIRONMENTAL PROTECTION JOINTLY

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WITH SUBCOMMITTEE ON CAPITAL BUDGET

Combining the proven available technologies of biomethane and near zero engines would drive city environmental goals using the hundreds of millions of dollars now spent on diesel vehicles and fuel to buy cost effective clean alternatives leverages the city's huge buying power to combat the existential threat of climate change. We encourage the committee and the Mayor's Office of Sustainability to ensure vehicle and fuel purchasing align with the city's environmental goals by tackling our outdated diesel dependence in favor of zero and near zero emission technologies that are available today. Thank you.

CHAIRPERSON CONSTANTINIDES: Thank you

Mr. Vos I appreciate your testimony and, and as you know this committee is committed to reaching our goal of reducing city emissions to 80 percent by 2050 and, and renewable energy and renewable opportunities are going to play a huge role in that. So, as we.. you know have over a million cars and transportation vehicles on the streets of New York today.. every day opportunities to reduce emissions from them will be looked at and in our city fleet so we, we should be setting the tone as a city when it comes to emissions and, and, and vehicle emission reduction so we will

COMMITTEE ON ENVIRONMENTAL PROTECTION JOINTLY

1 WITH SUBCOMMITTEE ON CAPITAL BUDGET

2 be in close contact with you and all stakeholders to
3 make sure we get it right.

4 PHIL VOS: That's excellent and New York
5 City has been an environmental leader in the past, I
6 hope it will continue to be so and please view Energy
7 Vision as a resource in addressing fleet emissions.

8
9 CHAIRPERSON CONSTANTINIDES: We, we look
10 forward to working with everyone as a partner as we
11 get this done, we have to get... we get it done and get
12 it done right.

13 PHIL VOS: Okay, thank you very much.

14
15 CHAIRPERSON CONSTANTINIDES: Thank you,
16 any questions anyone? Alright, thank you Mr. Vos.

17 PHIL VOS: Thank you.

18
19 CHAIRPERSON CONSTANTINIDES: With that I...
20 alright, so with that I just want to thank again our
21 financial... Finance Analyst Jonathan Seltzer, our
22 counsel Samara Swanston, our Policy Analyst Nadia
23 Johnson and, and my staff as well Nick Widzowski and
24 my counsel and Eric Burnstein from the Finance
25 Division and of course it was great to Chair this
hearing with my colleague and Co-Chair Vanessa

COMMITTEE ON ENVIRONMENTAL PROTECTION JOINTLY

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WITH SUBCOMMITTEE ON CAPITAL BUDGET

Gibson, it was great to partner together, I look forward to doing it more in the Exec Budget. So, with that I will gavel this Committee hearing of the Environmental Protection Committee closed.

[gavel]

C E R T I F I C A T E

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



Date

April 4, 2018