

THE COUNCIL OF THE CITY OF NEW YORK

Speaker of the Council
Christine C. Quinn



Hon. Letitia James, Chair, Sanitation and Solid Waste
Management Committee

Hearing on the Mayor's Fiscal 2013 Preliminary Budget & the Fiscal 2012 Preliminary Mayor's Management Report

Department of Sanitation

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Agency Overview

The Department of Sanitation (DSNY or the Department) promotes a healthy environment through the efficient management of solid waste and the development of environmentally sound long-range plans for handling refuse, including recyclables. The Department operates 59 district garages and manages a fleet of 2,022 rear-loading collection trucks, 450 mechanical brooms and 365 salt spreaders. Each day approximately 10,800 tons of household and institutional waste is collected. The Department clears litter, snow and ice from approximately 6,000 City street miles, and removes debris from vacant lots as well as abandoned vehicles from the City streets.

This report provides a review of the Department of Sanitation's Preliminary Budget for Fiscal 2013. In the first section the highlights of the Fiscal 2013 expense budget are presented including actions from the November and February Financial Plans. The report then presents analysis of some of the Department's significant program area budgets and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2012. Finally, a review of the proposed capital budget for the Department is presented with status updates on major projects and a discussion of significant proposed changes.

Fiscal 2013 Preliminary Plan Highlights

	2011	2012	2012	2013	*Difference
<i>Dollars in Thousands</i>	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Personal Services	\$556,178	\$511,762	\$520,071	\$523,643	\$11,881
Other Than Personal Services	851,684	789,120	813,934	820,130	31,010
Agency Total	\$1,407,863	\$1,300,882	\$1,334,004	\$1,343,773	\$42,891

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

The Department's Fiscal 2013 Preliminary Budget of \$1.34 billion is \$42.89 million more than its Fiscal 2012 Adopted Budget of \$1.3 billion. The change is due to an increase in the Personal Services (PS) budget of \$11.88 million and an increase of \$31.01 million in the Other Than Personal Services (OTPS) budget.

In June 2011, DSNY's projected Fiscal 2013 Budget of \$1.34 billion was \$37.18 million more than the Adopted Fiscal 2012 Budget of \$1.3 billion. Since Fiscal 2012 Adoption several budget actions have increased the Fiscal 2013 Budget minimally by \$5.71 million to remain at \$1.34 billion. These changes include Programs to Eliminate the Gap (PEGs) totaling \$51.05 million, new needs of \$34.78 million, other adjustments of \$2.21 million, and PEG Restorations and Substitutions (PRS) of \$19.76 million. Combined, the above actions reconcile the agency to its current budget of \$1.34 billion for Fiscal 2013. (See Appendix A for a list of all the changes to the Fiscal 2012 and 2013 Budgets since Adoption.) Highlights of the Fiscal 2013 Budget are below.

November Plan Actions

- **Institutional Waste Fee Program.** In its Fiscal 2012 Executive Budget DSNY proposed a new fee for non-residential solid waste collection and disposal to universities, religious

institutions, and not-for-profits. Recurring revenue of \$17.2 million was anticipated for Fiscal 2013 onwards.

The Fiscal 2013 Preliminary Budget includes \$522,000 for a survey of institutions that are presently being serviced. It is being conducted to determine how much refuse is being generated and how much of that refuse is being diverted to recycling. Department staff is concurrently doing field surveys to gather the same information.

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

- **Marine Transfer Station (MTS) Staffing.** Full funding for the operation of MTSs is not needed in Fiscal 2013 because facilities are still under/ yet to begin construction and are not yet operational. This refers to staffing of the four MTSs required by the Solid Waste Management Plan: Hamilton Ave (in construction to be completed mid-2013), North Shore in Queens (in construction to be completed mid-2013), Southwest Brooklyn, and E. 91st Street. Savings of \$16.34 million is anticipated for Fiscal 2013.
- **Recycled Bulk and Paper Sales.** The Department will generate more revenue from the sale of recycled paper and bulk materials due to increases in the market prices of paper and metal. In Fiscal 2012 it generated an additional \$5.82 million, while \$2.91 million is anticipated for Fiscal 2013 and the out years, reflecting the volatility of the market.
- **Staten Island Rail Line Usage.** The Department will receive a refund of \$972,000 from its long-term export contractor based on other companies' usage of the City's Staten Island Rail Line. DSNY has received this PEG in the past as well.
- **MTS Staffing Fringe Adjustment.** An adjustment was made in the amount of \$5.02 million in Fiscal 2013 to ensure that fringe savings for the MTS Staffing PEG are not double-counted by the Administration.

Department of Sanitation Financial Summary

<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Budget by Program Area					
Civilian Enforcement - Bronx	\$875	\$866	\$908	\$866	\$0
Civilian Enforcement - Brooklyn	1,020	1,249	1,303	1,249	0
Civilian Enforcement - Manhattan	786	839	862	839	0
Civilian Enforcement - Queens	965	1,013	1,027	1,013	0
Civilian Enforcement - Staten Island	160	115	115	115	0
Collection & Street Cleaning-Bronx	73,481	57,737	57,737	57,345	(393)
Collection & Street Cleaning-Brooklyn	172,564	131,879	132,778	132,442	563
Collection & Street Cleaning-General	64,391	178,484	202,686	203,976	25,492
Collection & Street Cleaning-Lot Cleaning	14,366	16,651	16,651	15,026	(1,625)
Collection & Street Cleaning-Manhattan	101,431	78,911	78,882	78,194	(717)
Collection & Street Cleaning-Queens	166,852	126,947	126,984	126,070	(878)
Collection & Street Cleaning-Staten Island	49,209	37,691	37,700	37,426	(265)
Enforcement - General	15,488	17,332	17,308	17,332	0
Engineering	5,492	5,448	5,248	5,500	53
General Administration	101,351	108,278	111,893	106,045	(2,233)
Legal Services	3,461	3,599	3,614	3,599	0
Long Term Export	3,513	3,360	3,676	1,770	(1,590)
Public Information	1,790	2,067	2,083	2,067	0
Snow Removal	124,238	42,825	42,825	59,905	17,080
Solid Waste Transfer Stations	7,525	8,281	8,230	8,281	0
Support Operations - Motor Equipment	78,717	79,082	79,604	80,844	1,763
Support Operations-Building Management	20,563	19,087	19,029	19,180	92
Waste Disposal - General	12,537	12,696	14,987	13,063	368
Waste Disposal - Landfill Closure	59,774	34,325	34,325	32,130	(2,195)
Waste Export	299,328	304,605	301,307	309,482	4,876
Waste Prevention, Reuse, and Recycling	27,987	27,516	32,241	30,016	2,500
TOTAL	\$1,407,863	\$1,300,882	\$1,334,004	\$1,343,773	\$42,891
Funding					
City Funds	N/A	\$1,272,483	\$1,299,268	\$1,317,306	\$44,823
Other Categorical	N/A	750	1,196	750	0
Capital- IFA	N/A	8,638	8,438	8,238	(400)
State	N/A	25	4,758	25	0
Federal - Community Development	N/A	16,468	16,468	14,843	(1,625)
Federal - Other	N/A	0	251	0	0
Intra City	N/A	2,518	3,626	2,610	93
TOTAL	N/A	\$1,300,882	\$1,334,004	\$1,343,773	\$42,891

Department of Sanitation Financial Summary

	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Positions					
Full-Time Positions - Civilian	1,939	2,069	2,048	2,033	(36)
Full-Time Positions - Uniform	6,954	6,963	7,197	7,170	207
TOTAL	8,893	9,032	9,245	9,203	171

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

**Continuation from previous page*

Program Areas

Collection & Street Cleaning - General

The Department's Bureau of Cleaning and Collection (the Bureau) is responsible for collecting household refuse and recyclables as well as cleaning City Streets. The Department runs on average 7,089 collection trucks each week – 5,138 for refuse collection and 1,951 for household recycling. On an average day, about 10,800 tons of waste for disposal, and 3,900 tons of curbside and containerized recycling are collected. In addition, approximately 2,025 street-cleaning posts are operated in an average week.

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Spending					
Personal Services					
Full-Time Salaried - Uniformed	\$19,363	\$13,264	\$31,591	\$33,239	\$19,975
Full-Time Salaried - Civilian	3,329	2,960	2,884	3,439	479
Other Salaried and Unsalaries	883	1,471	1,471	1,471	0
Additional Gross Pay	2,152	81,224	82,302	82,292	1,068
Overtime - Uniformed	3,414	41,456	45,982	45,412	3,956
Overtime - Civilian	66	200	200	200	0
Fringe Benefits	28,589	30,085	30,404	29,631	(454)
Subtotal	\$57,797	\$170,660	\$194,835	\$195,684	\$25,024
Other Than Personal Services					
Supplies and Materials	\$2,968	\$1,726	\$2,583	\$1,620	(\$106)
Fixed and Misc Charges	1	5	3	5	0
Property and Equipment	1,067	1,189	1,290	1,355	166
Other Services and Charges	1,447	3,723	2,653	4,131	408
Contractual Services	1,111	1,181	1,322	1,181	0
Subtotal	\$6,594	\$7,824	\$7,851	\$8,292	\$468
TOTAL	\$64,391	\$178,484	\$202,686	\$203,976	\$25,492
Funding					
City Funds	N/A	\$176,176	\$200,025	\$201,687	\$25,511
Intra City	N/A	1,558	1,639	1,539	(19)
Other Categorical	N/A	750	1,021	750	0
TOTAL	N/A	\$178,484	\$202,686	\$203,976	\$25,492
Positions					
Full-Time Positions - Civilian	65	71	70	70	(1)
Full-Time Positions - Uniform	223	174	369	371	197

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.

The proposed budget for Collection and Street Cleaning - General for Fiscal 2013 is approximately \$25.49 million more than the Fiscal 2012 Adopted Budget. This can be mostly attributed to a number of PEG reversals and a uniform salary adjustment, but is partially offset by new PEGs and fringe adjustments stemming from the PEG reversals.

November Plan Actions

- **Uniform Salaries Adjustment.** The Department added an additional \$12 million in Fiscal 2012 onwards to baseline funding for Uniform Salaries to adjust to the actual salary costs. The modeling is complicated because of different salary levels and the timing of attrition. The models are sometimes off and adjustments need to be made.
- **Refuse and Recycling Collection Efficiencies PEG Reversal.** Part of a PEG from Fiscal 2010 is being reversed at the level of \$7.90 million in Fiscal 2012 and \$8.3 million in Fiscal 2013 onwards.
- **Sunday Security PEG Reversal.** An increase of \$4.64 million is associated in Fiscal 2012, Fiscal 2013 and the outyears for the restoration of a Fiscal 2010 PEG which planned to cut Sunday and holiday staffing but was not implemented due to operational concerns. The Sunday and holiday shifts allow the District Garages to remain open to respond to timely emergencies such as providing assistance clearing highway accidents, and removing dead animals which are a public safety hazard. The staff also provides security at the Garages.
- **Flat Refuse Truck Target PEG Reversal.** The Department is reversing a Fiscal 2011 PEG which is reflected in the Preliminary Budget with an additional \$2.49 million in Fiscal 2012 and \$5.02 million in Fiscal 2013.
- **One Person EZ-Pack PEG Reversal.** An additional \$1.67 million in Fiscal 2012 is associated the reversal of a Fiscal 2010 PEG, as well as \$1.81 million for Fiscal 2013 and the outyears.
- **Uniform Officer Reduction PEG.** The Department eliminated six currently vacant uniform manager positions for savings of \$888,000 in Fiscal 2012 and \$895,000 in Fiscal 2013.
- **Manhattan Graffiti Program PEG.** A savings of \$276,000 in Fiscal 2012, Fiscal 2013 and the outyears reflects that Manhattan's graffiti cleaning operations were transferred from DSNY's portfolio to the NYC Economic Development Corporation (EDC). EDC is now responsible for all graffiti removal citywide. The Department still manages the graffiti removal database.
- **Refuse and Recycling Collection Efficiencies PRS Fringe Adjustment.** When the Refuse and Recycling Collection Efficiencies PEG went through an adjustment was made to ensure that fringe savings were not double-counted by the Administration. Due to the PEG reversal another adjustment must be made— in this case the budget is being decreased by \$2.17 million in Fiscal 2012 and \$2.31 million in Fiscal 2013 onwards.
- **Flat Refuse Truck Target PRS Fringe Adjustment.** When the Flat Refuse Truck Target PEG went through an adjustment was made to ensure that fringe savings were not double-counted by the Administration. Due to the PEG reversal another adjustment must be made— in this case the budget is being decreased by \$559,000 in Fiscal 2012 and \$1.18 million in Fiscal 2013.

- **One Person EZ-Pack PRS Fringe Adjustment.** When the EZ-Pack PEG went through an adjustment was made to ensure that fringe savings were not double-counted by the Administration. Due to the PEG reversal another adjustment must be made— in this case the budget is being decreased by \$473,000 in Fiscal 2012 and \$506,000 in Fiscal 2013 onwards.
- **Uniform Officer Fringe Adjustment.** An adjustment was made in the amount of \$135,000 in Fiscal 2012 and \$142,000 in Fiscal 2013 to ensure that fringe savings for the Uniform Salaries PEG are not double-counted by the Administration.

General Administration

This program includes funding that supports all aspects of administration and planning of the Department including payroll, budgeting, accounting, purchasing, data processing, training, and other services required to support executive and administrative operations that cannot be clearly linked to specific program areas.

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Spending					
Personal Services					
Full-Time Salaried - Uniformed	\$3,151	\$3,785	\$3,649	\$3,332	(\$453)
Full-Time Salaried - Civilian	16,814	15,125	15,078	12,515	(2,609)
Other Salaried and Unsalariated	738	786	786	786	0
Additional Gross Pay	856	874	873	876	2
Overtime - Uniformed	131	238	238	238	0
Overtime - Civilian	165	128	128	128	0
P.S. Other	(127)	0	0	0	0
Fringe Benefits	1	40	40	40	0
Subtotal	\$21,727	\$20,976	\$20,792	\$17,916	(\$3,060)
Other Than Personal Services					
Supplies and Materials	\$39,299	\$44,624	\$45,924	\$45,417	\$793
Fixed and Misc Charges	457	27	39	27	0
Property and Equipment	657	332	834	552	220
Other Services and Charges	36,199	38,768	39,203	38,597	(171)
Contractual Services	3,011	3,551	5,102	3,537	(14)
Subtotal	\$79,623	\$87,301	\$91,101	\$88,129	\$828
TOTAL	\$101,351	\$108,278	\$111,893	\$106,045	(\$2,233)
Funding					
City Funds	N/A	\$104,794	\$107,316	\$102,903	(\$1,892)
Intra City	N/A	940	1,912	1,051	111
Federal - Community Development	N/A	175	175	175	0
Other Categorical	N/A	0	112	0	0
Capital- IFA	N/A	2,343	2,343	1,891	(453)
State	N/A	25	35	25	0
TOTAL	N/A	\$108,278	\$111,893	\$106,045	(\$2,233)
Positions					
Full-Time Positions - Civilian	252	261	262	262	1
Full-Time Positions - Uniform	32	38	37	35	(3)

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.*

The proposed budget for General Administration for Fiscal 2013 is approximately \$2.23 million more than the Fiscal 2012 Adopted Budget. This is due to the savings from the Civilian Hiring Freeze PEG that is partially offset by increases due to the reversal of previous PEGs and the addition of \$215,000 for the cost of a consultant to perform and tabulate the results of the institutional waste survey.

November Plan Actions

- **Civilian Hiring Freeze.** Salary savings of \$5.1 million are anticipated in Fiscal 2013 resulting from the citywide civilian hiring freeze. Mechanics make up the bulk of DSNY's civilian staff but they will not be subject to this freeze, nor will revenue-generating staff.
- **Information Technology.** There have been delays in implementing the new Sanitation Management Analysis Resource Tracking (SMART) program. Additional funding of \$1.2 million in Fiscal 2012 and Fiscal 2013 was added to keep the old Information Technology system up and running for the next 3 fiscal years until SMART is ready.
- **CITIServ Shared Services.** DSNY is one of the first agencies to consolidate some of its servers under the Department of Information Technology and Telecommunications (DoITT). DSNY's budget reflects savings of \$20,000 in Fiscal 2012 and \$40,000 in Fiscal 2013.
- **Civilian Hiring Freeze Fringe Adjustment.** An adjustment was made in the amount of \$1.29 million in Fiscal 2013 to ensure that fringe savings for the Civilian Hiring Freeze PEG are not double-counted by the Administration.

Waste Disposal - General

In this program, funding provides for the general operation of waste disposal including waste management engineering and waste export administration.

<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Spending					
Personal Services					
Full-Time Salaried - Uniformed	\$4,178	\$4,465	\$4,465	\$4,465	\$0
Full-Time Salaried - Civilian	3,545	3,822	3,873	3,995	173
Other Salaried and Unsalaries	5	65	65	65	0
Additional Gross Pay	641	776	776	776	1
Overtime - Uniformed	302	473	473	473	0
Overtime - Civilian	13	91	91	91	0
Subtotal	\$8,685	\$9,692	\$9,744	\$9,866	\$173
Other Than Personal Services					
Supplies and Materials	\$256	\$199	\$199	\$199	\$0
Property and Equipment	50	139	99	139	0
Other Services and Charges	1,748	1,686	1,498	1,286	(400)
Contractual Services	1,799	979	3,447	1,573	594
Subtotal	\$3,853	\$3,003	\$5,243	\$3,198	\$194
TOTAL	\$12,537	\$12,696	\$14,987	\$13,063	\$368
Funding					
City Funds	N/A	\$12,443	\$14,671	\$12,811	\$368
Other Categorical	N/A	0	63	0	0
Capital- IFA	N/A	253	253	253	0
TOTAL	N/A	\$12,696	\$14,987	\$13,063	\$368
Positions					
Full-Time Positions - Civilian	61	69	70	69	0
Full-Time Positions - Uniform	45	50	50	50	0

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.*

The proposed budget for General Administration for Fiscal 2013 is approximately \$368,000 more than the Fiscal 2012 Adopted Budget. This can be mostly attributed to additional funding of \$194,000 for private security contracts and an \$173,000 increase in civilian salaries which reflects the costs of various salary contractual adjustments.

November Plan Actions

- **Brooklyn Navy Yard Environmental Clean-up.** An additional \$1.98 million was added to the Fiscal 2012 budget for environmental cleanup at the Brooklyn Navy Yard, which is mandated by a DEC consent order.

Waste Export

Funding provides for the supervision, transport, and disposal by private vendors of approximately 10,800 tons of City garbage daily. The Solid Waste Management Plan (SWMP) includes plans for the usage of up to five private transfer station facilities located in the Bronx, Queens and Brooklyn which would accept DSNY-managed waste from the boroughs in which it is generated for containerization and export by barge and/or rail. These vendors and facilities were selected for negotiations in 2004 through three Requests for Proposals. The Bronx and Brooklyn facilities are in operation. A contract with a private vendor for the Queens long-term export procurement is expected to be awarded in Fiscal 2013.

<i>Dollars in Thousands</i>	2011	2012	2012	2013	*Difference
	Actual	Adopted	Feb. Plan	Feb. Plan	2012 - 2013
Spending					
Other Than Personal Services					
Supplies and Materials	\$33	\$139	\$72	\$139	\$0
Property and Equipment	18	134	134	134	0
Other Services and Charges	26	9	72	9	0
Contractual Services	299,251	304,324	301,029	309,200	4,876
TOTAL	\$299,328	\$304,605	\$301,307	\$309,482	\$4,876
Funding					
City Funds	N/A	\$304,605	\$301,307	\$309,482	\$4,876
TOTAL	N/A	\$304,605	\$301,307	\$309,482	\$4,876

**The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.*

The proposed budget for General Administration for Fiscal 2013 is approximately \$4.88 million more than the Fiscal 2012 Adopted Budget. This is due to the rising interim contractual cost per ton to export waste.

November Plan Actions

- **Waste Export Surplus.** The Department anticipates a surplus in the waste export budget in Fiscal 2012 of \$1.97 million and \$28.72 million in Fiscal 2013 due to lower tonnage and changes in long-term contract schedules.

Waste Prevention, Reuse, and Recycling

The Department has several recycling initiatives including waste prevention and reuse education. The Department's recycling collection operation includes curbside collection, containerized collection, school night truck collection, bulk metal recycling, tire disposal, leaf and Christmas tree collection and chlorofluorocarbon (CFC) evacuation.

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Feb. Plan	2013 Feb. Plan	*Difference 2012 - 2013
Spending					
Personal Services					
Full-Time Salaried - Uniformed	\$0	\$0	\$0	\$0	\$0
Full-Time Salaried - Civilian	1,928	1,958	1,958	1,958	0
Other Salaried and Unsalariated	10	8	8	8	0
Additional Gross Pay	63	1	1	1	0
Overtime - Civilian	10	0	0	0	0
Subtotal	\$2,011	\$1,967	\$1,967	\$1,967	\$0
Other Than Personal Services					
Supplies and Materials	\$821	\$212	\$760	\$212	\$0
Property and Equipment	20	241	165	241	0
Other Services and Charges	18,586	19,075	20,693	19,075	0
Contractual Services	6,549	6,021	8,656	8,521	2,500
Subtotal	\$25,976	\$25,549	\$30,274	\$28,049	\$2,500
TOTAL	\$27,987	\$27,516	\$32,241	\$30,016	\$2,500
Funding					
City Funds	N/A	\$27,516	\$27,518	\$30,016	\$2,500
State	N/A	0	4,723	0	0
TOTAL	N/A	\$27,516	\$32,241	\$30,016	\$2,500
Positions					
Full-Time Positions - Civilian	28	29	29	29	0

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 February Plan Funding.

The proposed budget for General Administration for Fiscal 2013 is approximately \$2.50 million more than the Fiscal 2012 Adopted Budget. This is due to one-year cut to outreach and education in Fiscal 2012 that was not carried to Fiscal 2013.

November Plan Actions

- NYSDEC Recycling Grant.** The department received the New York State Department of Environmental Conservation's (DEC) Environmental Protection Fund grant program reimbursement for public education and capital construction services previously rendered. Since Adoption, this program area saw a decrease in City funds and an increase in State funding of \$4.72 million in Fiscal 2012.

Capital Program

Capital Budget Summary

The February 2012 Capital Commitment Plan includes \$1.111 billion in Fiscal 2012-2015 for the Department of Sanitation (including City and Non-City funds). This represents 3.17 percent of the City’s total \$35.07 billion Preliminary Plan for Fiscal 2012-2015. The agency’s Preliminary Commitment Plan for Fiscal 2012-2015 is 0.12 percent more than the \$1.110 billion scheduled in the September Commitment Plan, an increase of \$1.304 million.

The majority of capital projects span multiple fiscal years and it is common practice for an agency to roll unspent capital funds into future fiscal years. In Fiscal Year 2011 the Department of Sanitation committed \$319.9 million or 38.1 percent of its annual capital plan. Therefore, it is assumed that a significant portion of the agency’s Fiscal 2012 Capital Plan will be rolled into Fiscal 2013, thus increasing the size of the Fiscal 2013-2016 Capital Plan. Since adoption last June, the total Capital Commitment Plan for Fiscal 2013 has increased from \$7.35 billion to \$8.69 billion, an increase of \$1.33 billion or 24.9 percent.

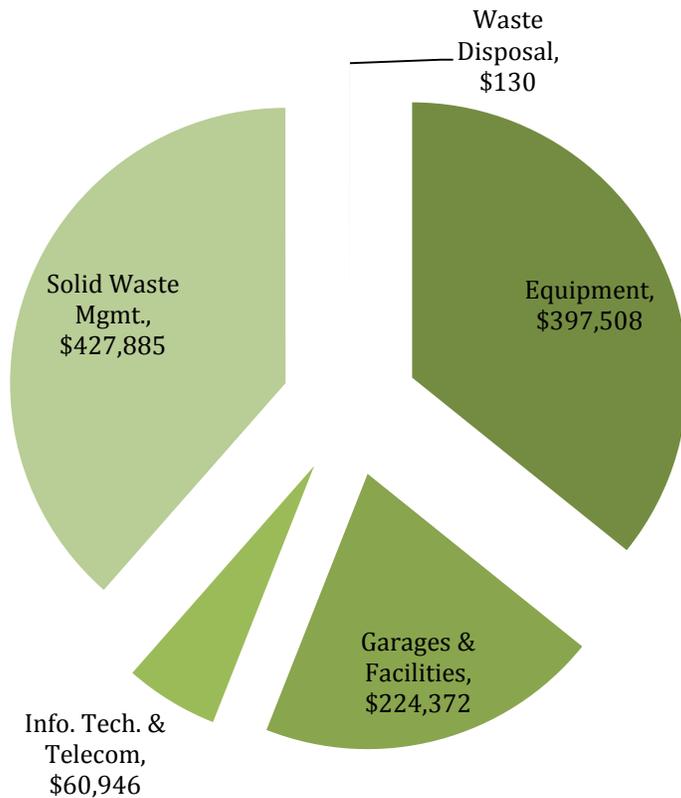
2012-2015 Commitment Plan: Adopted and Preliminary Budget

Dollars in Thousands

	FY12	FY13	FY14	FY15	Total
Adopted					
Total Capital Plan	\$658,265	\$239,552	\$78,628	\$133,092	\$1,109,537
Prelim					
Total Capital Plan	\$659,569	\$239,552	\$78,628	\$133,092	\$1,110,841
Change					
Level	\$1,304	\$0	\$0	\$0	\$1,304
Percentage	0.20%	0.00%	0.00%	0.00%	0.12%

Preliminary Capital Commitment Plan by Ten Year Plan Category

(All Funds in 000's)



Capital Program Goals

Build and maintain infrastructure to support:

- ✓ Refuse collection
- ✓ Recycling
- ✓ Cleaning waste disposal
- ✓ Support operations

Preliminary Budget Highlights

In the Preliminary Capital Plan, the Department’s planned commitments for Fiscal 2012-2015 has increased by \$1.3 million, or .12 percent, to a total of \$1.11 billion when compared to the Department’s 2011 September Plan. All of the increase is attributable to non-city commitments. Highlights of the Preliminary Budget are below.

- **Marine Transfer Stations (MTS).** The Preliminary Capital Commitment Plan includes \$397.76 million in Fiscal 2012-2015 for the construction and reconstruction of MTSs that are a critical component of the 2006 SWMP.

MTSs at Hamilton Avenue in Brooklyn and North Shore Queens are currently under construction and are anticipated to be completed in mid-2013 and operational by autumn 2013.

The East 91st Street MTS has \$125.40 million budgeted for construction. A value engineering study was conducted and \$5 million in savings was identified. A Request for Proposals (RFP) for construction bids was issued in January 2012 and construction is expected to begin in June 2012, pending an Army Corps of Engineers permit. The City prevailed against parkland alienation and SEQRA challenges, and a challenge to the New York State Department of Environmental Conservation (DEC) permit was also dismissed, in favor of DEC and the Department.

The Southwest Brooklyn MTS has \$108.47 million allotted to it in Fiscal 2012- 2015, although a value engineering process is currently underway. Construction is scheduled to begin in 2012, although permits are still needed from DEC and the Army Corps of Engineers. Construction contracts still need to be bid out as well, which makes the projected start-date challenging to meet. The East 91st Street MTS is scheduled to come online sometime in 2016, and the Southwest Brooklyn MTS is scheduled to come on-line sometime in 2017.

The Gansevoort MTS for recyclables has \$89.21 million allocated to it including design funds. An RFP for the design of the demolition of the current structure is anticipated to be awarded by the end of the current fiscal year. It is hoped that construction could begin sometime in 2013, however a Memorandum of Understanding between the City and State needs to be signed before the project moves further, as required by the amended Hudson River Park Act. The West 59th Street MTS conversion for transferring commercial waste has \$69 million apportioned to it in the Preliminary Capital Budget. The full conversion of the space is contingent on the current operation of transferring recyclables moving to Gansevoort.

- **Manhattan 1/2/5 Garage.** The project management for the Manhattan 1/2/5 Garage was transferred to the NYC Department of Design and Construction. The Preliminary Capital Commitment Plan includes \$154.2 million for the construction of the Manhattan 1/2/5 Garage in Fiscal 2012. Construction is approximately 35% complete.
- **South Brooklyn Marine Terminal Recyclables Processing Facility.** The Sims Recycling Center being constructed at the 30th Street Pier at the South Brooklyn Marine Terminal is set to be completed by the end of Fiscal 2013. This is an EDC-managed project which is anticipated to need an additional \$14 million in the Fiscal 2012 Adopted Capital Commitment Plan. A modified funding agreement is currently being negotiated. The total cost of the project is now anticipated to be approximately \$60 million.
- **Manhattan 4/4A/7 Garage.** The construction of the 4/4A/7 garage is nearing completion. The facility is made up of two separate buildings. The first, housing the District 7 Garage was completed in Fiscal 2012, while the second, which will contain the garages for Districts 4 and 4A, is anticipated to be completed later this year. There have been significant delays as completion was originally anticipated in Fiscal 2008. The Fiscal 2013 Preliminary Capital

Commitment Plan contains \$8.6 million for the project, which is only an increase of \$1.63 million from the Fiscal 2012 Adopted Capital Commitment Plan.

- **Garages Miscellaneous.** No new construction is planned for future garages at this time due to fiscal constraints. However the Brooklyn 3 Garage continues to have \$4.15 million in contingency funding, Brooklyn 13/15 has \$15 million in contingency funding, and Manhattan 6/8/8A has \$10.18 million in contingency funding.

Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of June 2011 Plan	\$1,284,388	\$16,493	\$1,300,881	\$1,323,193	\$14,869	\$1,338,062
Program to Eliminate the Gap (PEGs)						
Civilian Hiring Freeze	\$0	\$0	\$0	(\$5,098)	\$0	(\$5,098)
Marine Transfer Station Staffing	0	0	0	(16,336)	0	(16,336)
NYSDEC Recycling Grant	(4,723)	4,723	0	0	0	0
Uniform Officer Reduction	(888)	0	(888)	(895)	0	(895)
Waste Export Surplus	(1,966)	0	(1,966)	(28,717)	0	(28,717)
TOTAL, PEGs	(\$7,578)	\$4,723	(\$2,855)	(\$51,046)	\$0	(\$51,046)
New Needs						
BK Navy Yard Environmental Clean-up	\$1,983	\$0	\$1,983	\$0	\$0	\$0
Bureau of Waste Prevention, Reuse, and Recycling Communications	4,725	0	4,725	0	0	0
Info Technology	1,200	0	1,200	1,200	0	1,200
Institutional Fee Program	522	0	522	0	0	0
Uniform Salaries	12,000	0	12,000	12,000	0	12,000
Implementation of Non-Residential PEG	215	0	215	21,584	0	21,584
TOTAL, New Needs	\$20,644	\$0	\$20,644	\$34,784	\$0	\$34,784
Other Adjustments						
Misc. Fuel Adjustments	\$855	\$0	\$855	\$92	\$0	\$92
Misc. Revenue	91	0	91	0	0	0
Federal Grant Rollover	0	85	85	0	0	0
CitiServ Shared Services	(20)	0	(20)	(40)	0	(40)
PEG Fringe Adjustments	135	0	135	6,445	0	6,446
Various Intra-City Adjustments	302	0	303	0	0	0
PEG Reversal Fringe Adjustments	(3,206)	0	(3,206)	(3,993)	0	(3,993)
Graffiti Program - Manhattan	(276)	0	(276)	(276)	0	(276)
IFA Technical Adjustments	(200)	0	(200)	(400)	0	(400)
Federal Grant Transfer from DOT	0	166	166	0	0	0
PlaNYC: DSNY Clean Fleet	55	0	55	0	0	0
Civilian Collective Bargaining Adjustment	13	0	13	13	0	13
Schedule Street Fair Revenue	253	0	253	0	0	0
Technical Adjustment MTS PEG	194	0	194	194	0	194
Training	0	10	10	0	0	0
Uniform Collective Bargaining Adjustment	177	0	177	177	0	177
TOTAL, Other Adjustments	(\$1,627)	\$261	(\$1,365)	\$2,212	\$0	\$2,213
PEG Restorations and Substitutions (PRS)						
Flat Refuse Truck Target	\$2,491	\$0	\$2,491	\$5,016	\$0	\$5,016
One Person EZ-Pack	1,665	0	1,665	1,806	0	1,806

<i>Dollars in Thousands</i>	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
Refuse and Recycling Collection Efficiencies	\$7,903	\$0	\$7,903	\$8,296	\$0	\$8,296
Sunday Security	4,641	0	4,641	4,641	0	4,641
TOTAL, PRS	\$16,700	\$0	\$16,700	\$19,760	\$0	\$19,760
TOTAL, All Changes	\$28,139	\$4,983	\$33,124	\$5,710	\$0	\$5,711
Agency Budget as of February 2012 Plan	\$1,312,528	\$21,477	\$1,334,005	\$1,328,904	\$14,869	\$1,343,773

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Appendix B: Contract Budget

Category	Number	Budgeted	Pct of DSNY Total	Pct of City Total
Contractual Services General	16	\$31,739,644	8.8%	6.9%
Telecommunications Maintenance	7	700,400	0.2%	1.2%
Maintenance & Repair of Motor Vehicle Equipment	13	1,138,000	0.3%	8.1%
Maintenance & Repair, General	12	627,940	0.2%	0.5%
Office Equipment Maintenance	6	140,500	0.0%	1.0%
Data Processing Equipment	1	9,000	0.0%	0.0%
Printing Contracts	4	1,139,403	0.3%	3.7%
Security Services	8	3,598,185	1.0%	4.5%
Municipal Waste Export	31	309,758,811	86.0%	100.0%
Temporary Services	4	600,424	0.2%	1.8%
Cleaning Services	18	319,000	0.1%	1.6%
Training Programs for City Employees	6	82,100	0.0%	0.5%
Maintenance & Operation of Infrastructure	22	907,000	0.3%	0.6%
Professional Services: Computer Services	14	1,648,028	0.5%	1.5%
Professional Services: Other	21	7,595,947	2.1%	5.2%
Preliminary Budget	183	\$360,004,382	100.0%	3.4%

Appendix C: Fiscal 2012 Mayor's Management Report Performance Measures

Performance Measures

	FY 09	FY 10	FY 11	4- Month Actual FY 11	4- Month Actual FY 12	Target FY 13
Streets rated acceptably clean (%)	95.8%	95.3%	94.5%	95.7%	95.1%	92.0%
Dirty/marginal sanitation sections (out of 234)	0	0	0	0	1	*
Lots cleaned citywide	4,608	4,519	4,233	1,763	1,688	*
Graffiti sites cleaned	8,868	12,652	17,210	8,940	5,143	*
Square feet of graffiti sites cleaned	8,059	7,447	5,912	3,044	1,658	*
Snow Overtime (000's)	\$16,874	\$36,717	\$62,354	\$0	\$1,794	*
Snowfall (inches)	25.8	52.5	61.5	0.0	3.5	*
Salt used (tons)	295,572	270,010	353,769	0	10,638	*
Refuse cost per ton (fully loaded) (\$)	\$376	\$392	NA	NA	NA	*
Refuse collection cost per ton (\$)	\$228	\$241	NA	NA	NA	*
Disposal cost per ton (\$)	\$148	\$151	NA	NA	NA	*
Missed refuse collections (%)	0.1%	0.3%	1.8%	0.1%	0.1%	*
Refuse tons per truck-shift	9.9	10.1	10.0	10.0	10.2	10.7
Rear-loading collection truck outage rate	16.3%	17.6%	16.3%	17.2%	16.6%	*
Dual-bin collection truck outage rate	17.4%	18.3%	19.2%	17.9%	21.2%	*
EZ Pack front-loading collection truck outage rate	24.4%	21.2%	19.2%	20.9%	24.0%	*
Annual tons disposed (000's)	3,306.7	3,308.4	3,261.2	1,100.7	1,122.4	*
Tons per day disposed	10,986	10,991	10,835	10,791	11,004	*
Percent of total trucks dumped on shift	52.1%	50.4%	45.9%	50.4%	48.9%	*
Annual tons recycled (000)	1,683	1,202	1,231	460	NA	*
Recycled tons per day	5,394	3,779	3,944	4,505	NA	*
Curbside and containerized recycling diversion rate (%)	16.2%	15.7%	15.4%	15.6%	15.2%	*
Number of districts with a curbside and containerized recycling diversion rate between 0.0% and 4.9%	1	1	1	1	1	*
Number of districts with a curbside and containerized recycling diversion rate between 5.0% and 9.9%	10	11	12	11	12	*
Number of districts with a curbside and containerized recycling diversion rate greater than 25.0%	6	5	3	4	3	*
Total recycling diversion rate (%)	32.9%	25.6%	26.6%	29.5%	NA	*
Recycling summonses issued	159,927	122,010	65,578	30,190	16,735	*
Recycling tons per truck-shift	5.6	5.5	5.2	5.4	5.1	6.2
Missed recycling collections (%)	0.0%	0.0%	1.3%	0.0%	0.0%	*
Recycling cost per ton (fully loaded) (\$)	\$540	\$575	NA	NA	NA	*
Recycling collection cost per ton (\$)	\$516	\$548	NA	NA	NA	*
Paper recycling revenue per ton (\$)	\$20	\$10	\$12	\$10	\$33	*
Number of chlorofluorocarbon/freon recoveries	34,327	30,482	23,008	10,996	7,620	*
Tort cases commenced	273	350	398	116	169	*
Tort dispositions	348	318	353	103	133	*
Tort payout (000's)	\$255,238	\$34,075	\$23,999	\$2,562	\$8,566	*

SOURCE: Mayor's Management Report

Appendix D: Reconciliation of Program Areas to Units of Appropriation

<i>Dollars in Thousands</i>	Personal Services				Other Than Personal Services								Grand Total
	101	102	103	104	105	106	107	109	110	111	112	113	
Civilian Enforcement - Bronx	\$866												\$866
Civilian Enforcement - Brooklyn	1,249												1,249
Civilian Enforcement - Manhattan	839												839
Civilian Enforcement - Queens	1,013												1,013
Civilian Enforcement - Staten Island	115												115
Collection & Street Cleaning-Bronx		57,345											57,345
Collection & Street Cleaning-Brooklyn		132,442											132,442
Collection & Street Cleaning-General		195,684						8,292					203,976
Collection & Street Cleaning-Lot Cleaning	12,598					2,428							15,026
Collection & Street Cleaning-Manhattan		78,194											78,194
Collection & Street Cleaning-Queens		126,070											126,070
Collection & Street Cleaning-Staten Island		37,426											37,426
Enforcement - General	16,122					1,210							17,332
Engineering	4,728					772							5,500
General Administration	17,916					88,129							106,045
Legal Services	3,599												3,599
Long Term Export	1,195					575							1,770
Public Information	2,067												2,067
Snow Removal						35,574						24,331	59,905
Solid Waste Transfer Stations			8,281										8,281
Support Operations - Motor Equipment					58,439					22,405			80,844
Support Operations-Building Management				16,537						2,643			19,180
Waste Disposal - General			9,866						3,198				13,063
Waste Disposal - Landfill Closure									32,130				32,130
Waste Export									309,482				309,482
Waste Prevention, Reuse, and Recycling		1,967					28,049						30,016
Grand Total	\$62,307	\$629,127	\$18,146	\$16,537	\$58,439	\$93,113	\$35,574	\$36,341	\$344,810	\$2,643	\$22,405	\$24,331	\$1,343,773