



New York City Council

Hon. Adrienne Adams, Speaker of the Council
Hon. Justin Brannan, Chair Finance Committee
Hon. James Gennaro, Chair, Environmental Committee

Report on the Fiscal 2026 Executive Plan and the Fiscal 2026 Executive Capital Commitment Plan for Committee on Finance and the Committee on Environmental Protection, Resiliency and Waterfronts

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Fiscal 2026 Executive Plan

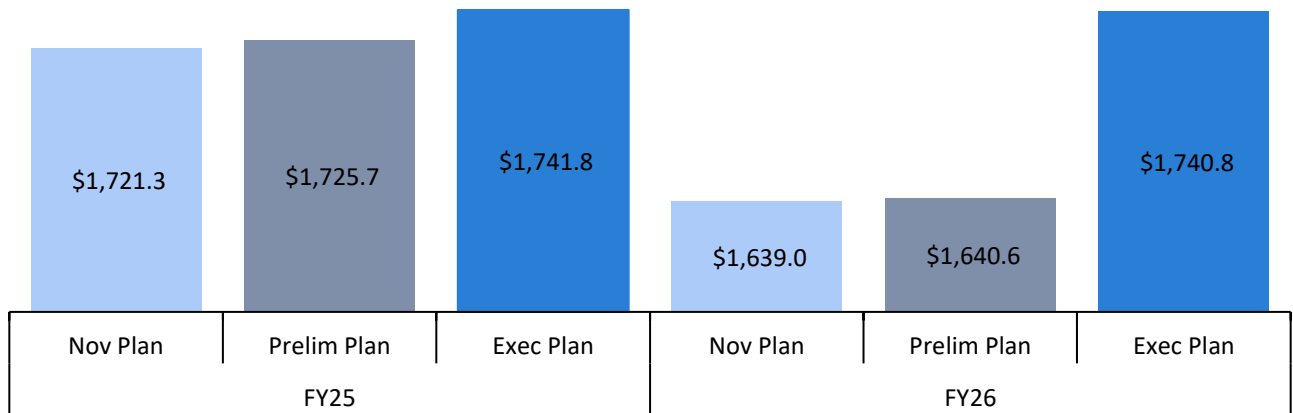
Department of Environmental Protection Budget Overview

The Department of Environmental Protection (DEP or the Department) is responsible for the protection of public health and the environment by supplying clean drinking water, collecting and treating wastewater, mitigating storm and coastal flooding, and reducing air, noise and hazardous materials pollution. The Department manages the City's water supply, which provides more than one billion gallons of high quality drinking water daily to more than half the population of New York State. It builds and maintains the City's water distribution network, fire hydrants, storm and sanitary sewage collection systems, and Bluebelt and green infrastructure systems. The Department has seen significant changes to their budget since the release of the Fiscal 2026 Preliminary Plan in January.

The Executive Financial Plan for Fiscal 2025-2029 (Executive Plan), includes a proposed Fiscal 2026 budget of \$1.74 billion for DEP. DEP's Fiscal 2025 budget in the Executive Plan is \$16.1 million (0.9 percent) more than its \$1.73 billion Fiscal 2025 budget in the Preliminary Plan, and the Fiscal 2026 budget in the Executive Plan is \$100.2 million (6.1 percent) more than its \$1.64 billion Fiscal 2026 budget in the Preliminary Plan. The current Fiscal 2026 budget is \$63.5 million more than the \$1.68 billion Fiscal 2025 budget at adoption. For additional information on DEP's Preliminary Budget, please refer to the Fiscal 2026 Preliminary Budget report.¹

¹ New York City Council, "[Report on the Fiscal 2025 Preliminary Plan and the Fiscal 2024 Preliminary Mayor's Management Report for the Department of Environmental Protection](#)", as of March 2025.

Comparison of the Last Three Financial Plans

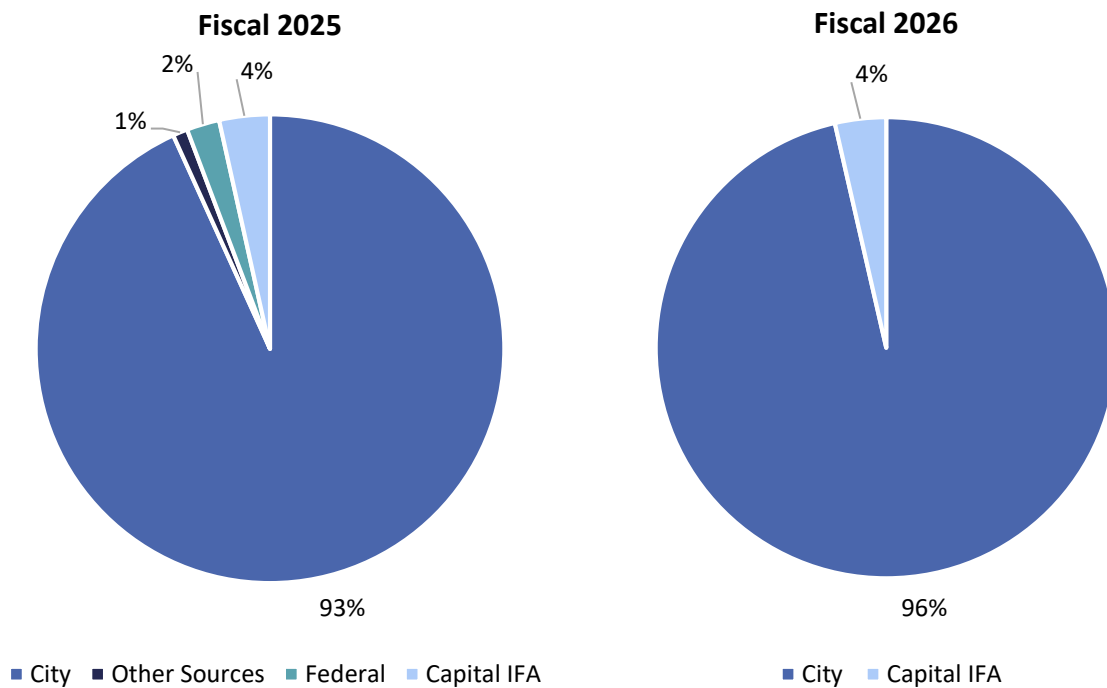


Dollars in Millions

Source: New York City Office of Management and Budget

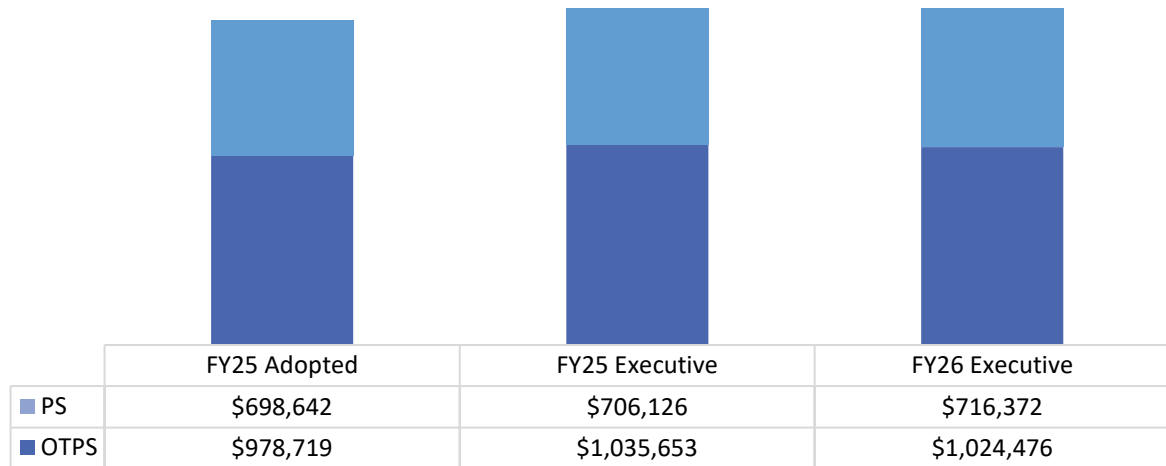
Budget by Funding Source

Fiscal 2026 City Funds: 96.0 percent



Source: New York City Office of Management and Budget

Personal Services (PS) and Other Than Personal Services (OTPS)



Dollars in Thousands

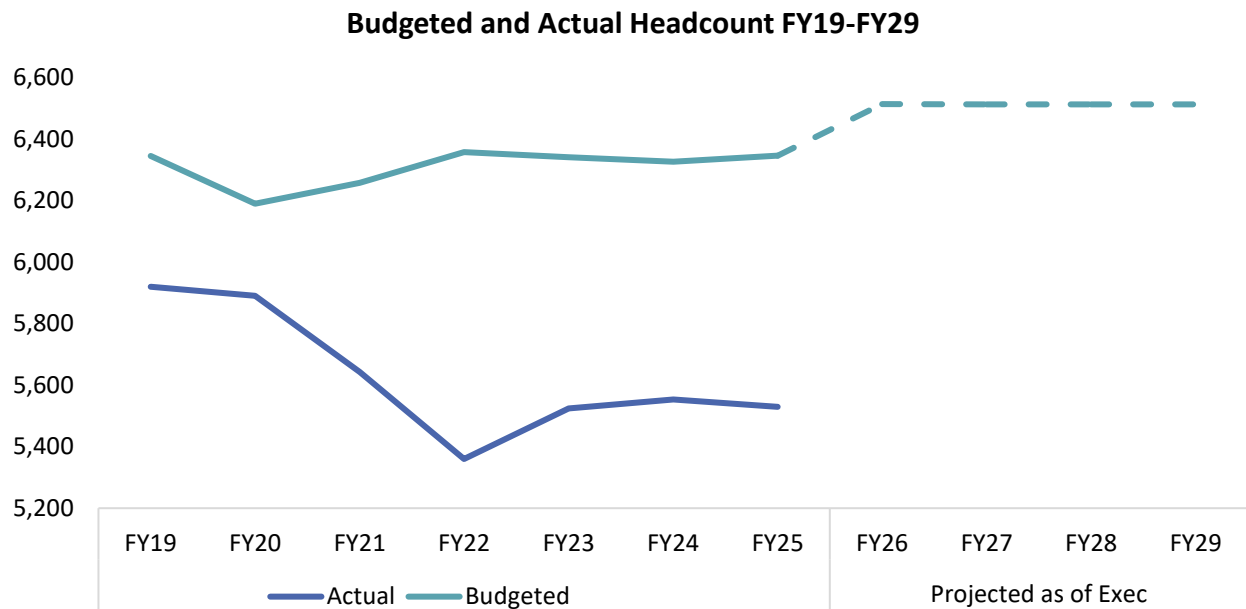
Source: New York City Office of Management and Budget

Headcount

*Fiscal 2025 Budgeted Full-Time Positions: **6,346***

*Actual Headcount as of March 2025: **5,530***

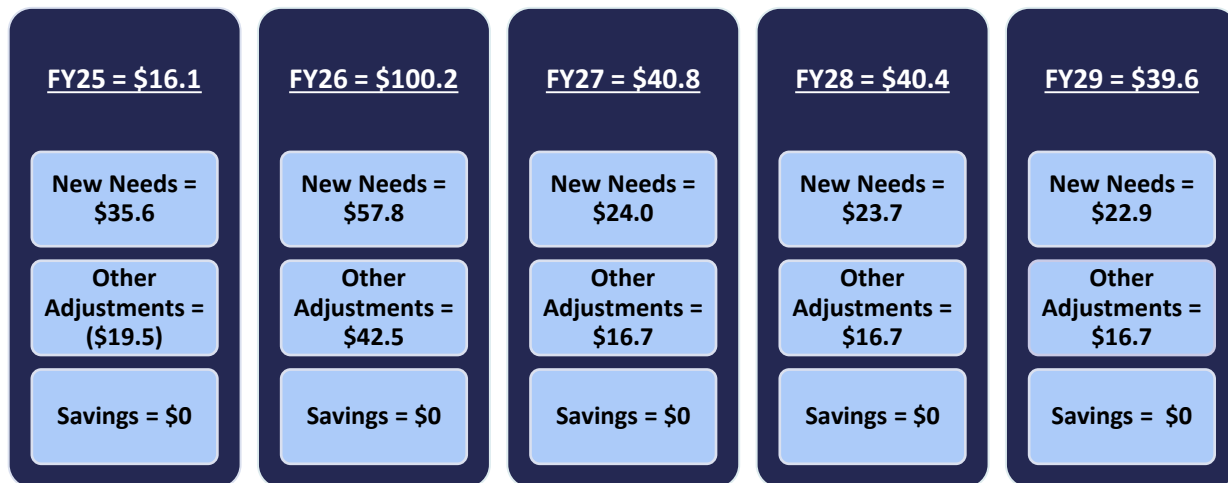
*Vacancy Rate as of March 2025: **15.4 percent***



Source: New York City Office of Management and Budget

Note: Budgeted and actual headcounts are as of the end of the fiscal year, except for FY26 where budgeted headcount is as of the Executive Plan and actual headcount is as of March 2025.

Executive Plan Changes



Dollars in Millions

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings.

Significant Executive Plan Changes New Needs

- **Chemical Increases at Croton.** The Executive Plan includes an additional \$8.9 million in City funds in Fiscal 2026 to cover increased chemical costs at the Croton facility. These costs reflect higher prices for essential treatment chemicals including Sodium Hypochlorite, Cationic Polymer, Fluoride, and Liquid Aluminum Sulfate.
- **Environmental Planning Review and Analysis.** The Executive Plan includes an additional \$1.8 million in Fiscal 2026, \$2.7 million in Fiscal 2027, \$2.5 million in Fiscal 2028, and \$2 million in Fiscal 2029 for consultant services to support environmental quality and land use review. The funding will allow DEP to conduct specialized technical studies required for regulatory and planning purposes.
- **IT System Support.** The Executive Plan includes an additional \$1.5 million in Fiscal 2026, increasing to \$1.7 million by Fiscal 2029, for IT consulting services. These funds support ancillary systems tied to DEP's billing and collection operations to ensure continued functionality and modernization of critical infrastructure.
- **Marine Sludge Operations.** The Executive Plan includes an additional \$2.8 million in City funds in Fiscal 2025 and Fiscal 2026 for contracts supporting sludge transport services, equipment, and labor at the Bureau of Wastewater Treatment.
- **Fleet Maintenance.** The Executive Plan includes an additional \$864,738 in Fiscal 2026 and \$614,738 in Fiscal 2027 and the outyears for the maintenance of parts of DEP's heavy-duty vehicles, helping ensure operational readiness and reliability of the fleet.

- **Software Maintenance.** The Executive Plan includes an additional \$3.5 million in Fiscal 2025, increasing to \$5.4 million in Fiscal 2029, to support cybersecurity software. This funding will enhance the agency's ability to prevent and respond to cyberattacks across water and wastewater infrastructure.
- **Treatment Process Chemicals.** The Executive Plan includes an additional \$23.2 million in Fiscal 2026 for increased costs of essential water treatment chemicals, including Sodium Bisulfate, Phosphoric Acid, and Sodium Hydroxide.
- **Wastewater Treatment Disposal.** The Executive Plan includes an additional \$21 million in City funds in Fiscal 2025 to cover disposal costs for biosolids and residuals, which are byproducts of the wastewater treatment process.
- **Wastewater Treatment State of Good Repair.** The Executive Plan includes an additional \$8.3 million in Fiscal 2025 and \$6.4 million in Fiscal 2026 and the outyears for contracts supporting digester cleaning, pipe coating, and equipment repair and maintenance at Wastewater Resource Recovery and Collection Facilities.
- **Watershed Programs.** The Executive Plan includes an additional \$6.8 million in Fiscal 2025 and the outyears for agricultural and forestry programs that support nutrient management, education, and conservation initiatives within the upstate watershed.
- **Workforce Development for Green Infrastructure.** The Executive Plan includes an additional \$1.5 million in Fiscal Years 2026 and 2027 and \$899,687 in Fiscal 2028 to support contracts that train youth in underserved communities to maintain deteriorated rain gardens in Brooklyn and Queens.

Other Adjustments

- **AA Cloudburst.** The Executive Plan includes an additional \$6.65 million in federal funding in Fiscal 2025 for the Cloudburst Resiliency Program. This funding will support DEP's efforts to mitigate extreme stormwater flooding through infrastructure upgrades and green infrastructure projects in neighborhoods vulnerable to intense rainfall events. The Cloudburst program is designed to enhance the City's climate resiliency by improving drainage capacity and reducing flood risk in historically flood-prone areas.

Budget Response

*Fiscal 2026 Expense Proposal Estimate: **\$14.9 million***

*Expense Proposals Included in the Fiscal 2026 Executive Budget: **\$0***

In the City Council's Fiscal 2026 Preliminary Budget Response, the Council identified several areas of concern relating to DEP. The budget response called on the Administration to add \$14.9 million in expense funding for programs related to the Renewable Rikers Master Plan, staffing for the Bureau of Coastal Resiliency, and rain barrels.² The Executive Plan does not include any funding for these proposals, as shown in the table.

FY26 Budget Response Items			
#	Response Priorities	Amount Requested	Amount in the Exec Budget
1	Bureau of Coastal Resiliency Staffing	\$2.1	\$0.0
2	Renewable Rikers Master Plan	3.0	0
3	Rain Barrel Giveaway Program	9.8	0

Dollars in Millions

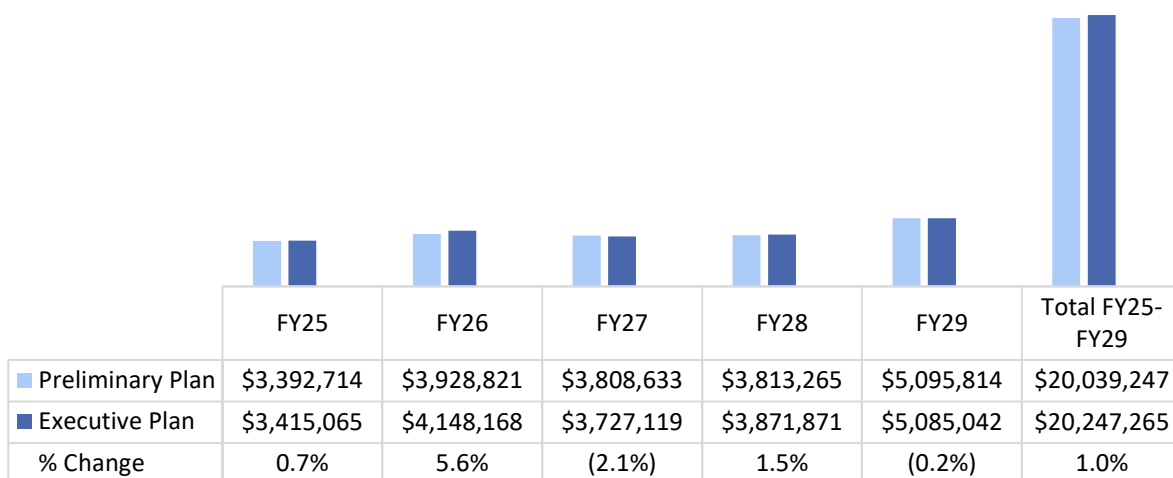
Capital Plan Overview

- DEP's commitments, as presented in the Executive Capital Commitment Plan for Fiscal 2025-2029 (the Executive Commitment Plan), total \$20.25 billion, 1.0 percent more than the total for the same period presented in the Preliminary Capital Commitment Plan released in January.
- The Department's planned commitments comprise 18.2 percent of the City's total \$110.9 billion Fiscal 2025-2029.

² New York City Council, "[Response to the Fiscal 2026 Preliminary Budget and Fiscal 2025 Preliminary Mayor's Management Report](#)", as of April 2025.

Capital Commitment Plan

Fiscal 2025-2029 Capital Commitment Plan



Dollars in Thousands

Source: New York City Office of Management and Budget

- Kensico Tunnel.** The Executive Commitment Plan includes \$418.7 million in Fiscal 2029 for the Kensico-Eastview Connection Tunnel. This project entails the construction of a deep rock tunnel approximately 2 miles long, connecting the Kensico Reservoir to the Catskill/Delaware Ultraviolet Light Disinfection Facility in Eastview, New York. The new tunnel will enhance operational resiliency and redundancy for New York City's water supply system by providing an additional means of conveying water between these critical facilities.
- New Croton Dam Reconstruction.** The Executive Commitment Plan includes \$173.4 million in Fiscals 2025–2029 for the New Croton Dam Reconstruction. This project involves the comprehensive reconstruction and rehabilitation of the New Croton Dam, a critical infrastructure component of New York City's water supply system. The work aims to address aging structural components, enhance dam safety, and ensure compliance with modern engineering standards to protect downstream communities. Notably, this funding level represents an increase of \$158 million compared to the Preliminary Capital Plan for FY25–29, reflecting an expanded scope and accelerated timeline.

Budget Action Chart

<i>Dollars in Thousands</i>	FY25			FY26		
	City	Non-City	Total	City	Non-City	Total
DEP Budget as of the FY26 Preliminary Plan	\$1,617,098	\$108,628	\$1,725,726	\$1,577,007	\$63,596	\$1,640,603
Changes Introduced in the FY26 Executive Plan						
New Needs						
Chemical Increases at Croton	\$0	\$0	\$0	\$8,894	\$0	\$8,894
Environmental Planning Review and Analysis	0	0	0	1,800	0	1,800
Fleet Maintenance	0	0	0	864	0	864
IT System Support	0	0	0	1,549	0	1,549
Marine Sludge Operations	2,820	0	2,820	2,820	0	2,820
Software Maintenance	3,500	0	3,500	3,942	0	3,942
Treatment Process Chemicals	0	0	0	23,214	0	23,214
Wastewater Treatment Disposal	21,000	0	21,000	0	0	0
Wastewater Treatment State of Good Repair	8,276	0	8,276	6,407	0	6,407
Watershed Programs	0	0	0	6,759	0	6,759
Workforce Development for Green Infrastructure	0	0	0	1,542	0	1,542
Subtotal, New Needs	\$35,596	\$0	\$35,596	\$57,790	\$0	\$57,790
Other Adjustments						
AA Cloudburst	\$0	\$6,650	\$6,650	\$0	\$0	\$0
Arterial Highway Drainage Study	0	250	250	0	0	0
Asylum Seeker Adjustment	513	0	513	0	0	0
Asylum Seeker State Revenue Adjustment	0	301	301	0	0	0
Build it Back Contracts Roll	(2,745)	0	(2,745)	2,745	0	2,745
Corona East Cloudburst PS	0	228	228	0	0	0
DC37 Collective Bargaining Adjustment	60	0	60	60	0	60
Delaware Aqueduct Roll	(20,857)	0	(20,857)	20,857	0	20,857
Heat, Light and Power	(11)	0	(11)	17,857	0	17,857
Heating Fuel Adjustment	(2,077)	0	(2,077)	(967)	0	(967)
ICE25PM055	0	405	405	0	0	0
IDA Grant Position	0	100	100	0	0	0
Indirect Source Rule	(705)	0	(705)	705	0	705
Kissena Cloudburst PS	0	333	333	0	0	0
Lease Adjustment	0	0	0	588	5	593
Igrmif	0	75	75	0	0	0
Mandated Rolls	(1,725)	0	(1,725)	1,725	0	1,725
MOCEJ Energy Conservation PS	0	340	340	0	0	0
Motor Fuel	(158)	0	(158)	(392)	0	(392)
Moving Expenses	(301)	0	(301)	0	0	0
Operations Support Tool	(910)	0	(910)	910	0	910
Other than Personnel Costs Transfer	0	0	0	(678)	0	(678)
P.S. Damage Due to Ida	0	692	692	0	0	0
Personnel Costs Transfer	0	0	0	(961)	0	(961)
Subtotal, Other Adjustments	(\$28,916)	\$9,373	(\$19,543)	\$42,449	\$5	\$42,454
Savings						
N/A	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal, Savings	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, All Changes in the FY26 Executive Plan	\$6,680	\$9,373	\$16,052	\$100,239	\$5	\$100,245
DEP Budget as of the Executive Plan	\$1,623,778	\$118,001	\$1,741,778	\$1,677,246	\$63,601	\$1,740,848

Source: New York City Office of Management and Budget

Budget by Program Area

<i>Dollars in Thousands</i>	FY23	FY24	FY25	Executive Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26 - FY25
Budget by Program Area						
Agency Administration & Support	\$133,968	\$148,637	\$152,671	\$158,916	\$158,321	\$5,650
Customer Services & Water Board Support	64,371	82,442	68,266	66,464	68,865	599
Engineering Design and Construction	39,167	39,882	51,426	47,001	50,897	(529)
Environmental Management	23,593	24,957	25,033	33,432	24,990	(43)
Miscellaneous	60,527	49,865	9,895	29,086	3,871	(6,024)
Upstate Water Supply	429,368	443,683	492,813	496,625	512,892	20,078
Wastewater Treatment Operations	573,148	602,572	579,843	639,594	619,183	39,340
Water & Sewer Maintenance & Operations	211,778	230,616	297,414	270,661	301,828	4,414
TOTAL	\$1,535,921	\$1,622,653	\$1,677,361	\$1,741,779	\$1,740,848	\$63,487
Funding						
City Funds			\$1,615,345	\$1,623,778	\$1,677,247	\$61,902
Other Categorical			0	9,497	0	0
Capital IFA			60,772	60,772	62,310	1,537
State			0	4059.78	0	0
Federal - Community Development			300	400	300	0
Federal - Other			318.306	39475.737	361	42
Intra-city			625.05	3797.128	630.194	5
TOTAL	\$0	\$0	\$1,677,361	\$1,741,779	\$1,740,848	\$63,487
Budgeted Headcount						
Full-Time Positions - Civilian	5,524	5,553	6,304	6,346	6,307	3
TOTAL	5,524	5,553	6,304	6,346	6,307	3

**The difference between the Fiscal 2026 Executive Budget and the Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget