



sanitation

JOHN J. DOHERTY

Commissioner

125 Worth Street, Room 720

New York, New York 10013

Telephone (646) 885-4974

Fax (212) 385-2560

April 21, 2008

Hon. Christine C. Quinn
Speaker
New York City Council
City Hall
New York, New York 10007

Re: Progress Report to City Council on Implementation of the Marine Transfer Station
Conversion Program

Dear Speaker Quinn:

As you know, in July 2006 the City Council adopted the Solid Waste Management Plan (SWMP), which was approved by the New York State Department of Environmental Conservation in October 2006. Under the SWMP, §3.7 requires the Department of Sanitation (DSNY) to submit a report to the City Council on progress made with the Request For Proposals (RFP) process to award a vendor contract(s) for waste transportation and disposal services for the four converted marine transfer stations (MTSs), as well as any other approvals needed to implement the MTS Conversion Program. These four MTS facilities are East 91st Street in Manhattan, North Shore in College Point, Queens, Hamilton Avenue in Sunset Park, Brooklyn and Southwest Brooklyn in Bensonhurst.

The following summarizes our progress made to date and is divided into five sections: (i) the Request for Proposals Process; (ii) MTS Design and Construction; (iii) the Permit and Related Approvals Processes; (iv) the establishment of Community Advisory Groups; and (v) Next Steps. Two compact disks included with this report contain supplementary information on the MTS Conversion Program. Attachment A to this report lists the contents of these compact disks.

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1. Request for Proposals Process

On August 25, 2006, DSNY issued a request for Best and Final Offers (BAFOs) to the four vendors that were selected for negotiations in connection with DSNY's request for proposals to handle waste at the four MTSs in the locations referenced above. As outlined in §3.4.1 of the SWMP, the City determined it would be in its best interests to seek BAFOs that (i) enable DSNY not to rely on a single facility for the transloading of containers from the MTSs; (ii) encourage proposals on alternative facilities at which containerized waste can be transloaded; and (iii) subject to operational and technical feasibility, avoid contracting to transload more than 75% of the containers generated at the MTSs annually at any single in-City transloading facility.

BAFO responses were received from the four vendors on November 27, 2006, after which the vendors were asked to extend their proposal commitments and deposits, as well as their BAFO submissions as appropriate, through July 2008 to allow for further review. After an initial technical review of the BAFOs was conducted, a letter containing specific requests for clarification was sent to each of the four vendors on November 30, 2007. Responses to these clarification requests were received in February, and following the completion of a technical review and interviews, the BAFOs will be scored by the Evaluation Committee. Shortly thereafter, the committee will request BAFO cost proposals. A request for clarifications on cost will be issued to proposers, as necessary. After completion of this process the Committee will recommend one or more vendors to DSNY for contract negotiations.

2. MTS Design and Construction

The four MTS designs were largely completed by July 2006 when the SWMP was adopted. Since that time, DSNY has moved forward with finalizing designs, developing the required construction contract bid packages, and obtaining the necessary approvals. DSNY expects to finalize the North Shore MTS design documents and construction bid package first, and plans to issue the bid package in spring 2008 and award the construction contracts in fall 2008.

Over the next three months, DSNY will finalize the Hamilton Avenue MTS designs and bid package, followed by the Southwest Brooklyn and East 91st Street MTS design and bid packages in three month intervals thereafter. Based on this schedule, we expect to issue the Hamilton Avenue bid package by summer 2008 and award the contract by winter. The Southwest Brooklyn and East 91st Street final design and bid packages are expected to be issued in fall 2008 and winter 2008, respectively.¹

In addition to the bid package review and issuance processes, DSNY submitted the MTS designs to the New York City Art Commission for approval. The Art Commission approved all four designs in September 2007 after holding a public hearing on the designs.

¹ This schedule is contingent on approval of pending permits for construction and operation at these sites.

3. Permit and Related Approvals Processes

DSNY submitted final permit applications for the construction and operation of each of the four MTSs to the New York State Department of Environmental Conservation (DEC), Region 2 offices in January and February 2007. The permit applications submitted for each facility included the following:

- Article 27, Title 7; 6 NYCRR 360: Solid Waste Management (Part 360 Permit)
- Article 19, Air Pollution Control (Air State Facility Permit)
- 6 NYCRR 608: Water Quality Certification (Joint Application)
- Article 25: Tidal Wetlands (Joint Application)
- Article 15, Title 5: Protection of Waters (Joint Application)

All application documents referenced above are included on the attached compact disc and are also accessible at <http://www.nyc.gov/html/dsny/html/reports/guides.shtml>.

The table below summarizes the major milestones of the permit process for each facility.

DEC Permit Process Milestones

Proposed MTS	ENB Notice of Complete Application	Comment Deadline	Legislative Hearing/Issues Conference	Final Permits Issued
North Shore (Queens)	May 16, 2007	June 18, 2007	Not Required	September 14, 2007
East 91 st Street (Manhattan)	May 30, 2007	July 2, 2007	October 9 and 16, 2007	Not Yet Issued
Southwest Brooklyn	August 29, 2007	October 1, 2007	January 15, and 23, 2008	Not Yet Issued
Hamilton Ave. (Brooklyn)	September 26, 2007	October 29, 2007	Not Required	Not Yet Issued

As shown by the table above, DEC has already issued a final permit for the North Shore MTS; we expect to receive a final permit for Hamilton Avenue soon. In addition, DEC determined that legislative hearings and issues conferences be held for the East 91st Street and Southwest Brooklyn facilities. On April 7, 2008 the DEC Administrative Law Judge ruled on issues raised by the intervenors in connection with the permit application for the proposed East 91st Street MTS. The judge determined that no issues exist for adjudication, except that DSNY will be required to provide a noise impact analysis to demonstrate that the MTS will comply with DEC requirements.

Simultaneous with the submission of the permit applications, DSNY submitted an Environmental Justice Public Participation Outreach Plan for the four MTSs. Therein, DSNY described its efforts to provide opportunities for public participation with each of the four environmental review processes and also proposed that an Environmental Justice (EJ) Informational Meeting be held in April 2007 in each of the four affected communities. This outreach plan was approved by the DEC on March 8, 2007 and was followed-up with completion reports for each facility. The completion reports, among other things, include information on an English and Spanish language toll-free hotline for comments, public document repositories, EJ Informational Meeting transcripts, stakeholder lists, and copies of notices, advertisements, posters, mailers, and responses to questions. This documentation is also included on the attached compact disc.

4. Community Advisory Groups

DSNY has successfully established a Community Advisory Group (CAG) for each of the four MTSs. Appointees for the CAGs include representatives from community boards, environmental and environmental justice organizations, business organizations, property owners, and other concerned members of the general public. The groups' Mission Statement is based on the requirements set forth in §3.4.2.1 of the SWMP; it outlines the framework and role of the CAGs, provides details on the appointment process for CAG members, meeting schedule requirements, reporting duties, and overall goals. Both the Mission Statement and CAG membership lists are enclosed in the attached compact disc.

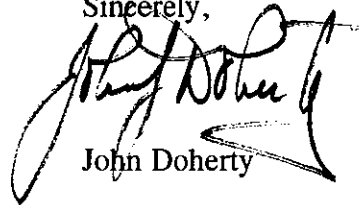
DSNY held a kickoff meeting for the CAGs at City Hall on September 25, 2007. At the meeting, CAG members were given a summary of the current status of the permit application process for each facility and background information on the expected role of the members. They were also introduced to their designated DSNY and Administration representatives who will be assisting the CAG members on an ongoing basis.

Subsequent to the kickoff, DSNY has participated at the two group meetings which have been convened. DSNY gave presentations on the proposed MTS designs and answered questions from group members. DSNY also followed-up with written responses to the more detailed questions raised by group members.

5. Next Steps

Over the coming months, DSNY will continue to move forward with the many aspects of the MTS Conversion Program described above. We are confident the RFP process and MTS design and construction will continue to proceed on schedule, and that MTS approvals will continue to move forward. In addition, DSNY will continue to support the four MTS CAGs to ensure that each community stays up to date on the process and is given sufficient opportunity to provide input.

Sincerely,

A handwritten signature in black ink, appearing to read "John Doherty", written over a horizontal line.

John Doherty

cc: Ed Skyler, Deputy Mayor for Operations
Haeda Mihaltses, Director, Mayor's Office of Intergovernmental Affairs
Michael E. McMahon, Council Member, Chairman, Sanitation & Solid Waste
Management Committee

ATTACHMENT A

Table of Contents

Compact Disk 1

- Community Advisory Group Mission Statement
- Community Advisory Group Membership
- North Shore MTS Permit Documents
 - Part 360 Solid Waste Facility Permit Application
 - Supplemental Information to the North Shore Part 360 Permit
 - State Facility Air Permit Application
- Hamilton Avenue Converted MTS Permit Documents
 - Part 360 Solid Waste Facility Permit Application
 - State Facility Air Permit Application
- Southwest Brooklyn Converted MTS Permit Documents
 - Part 360 Solid Waste Facility Permit Application
 - State Facility Air Permit Application
- East 91st Street Converted MTS Permit Documents
 - Part 360 Solid Waste Facility Permit Application
 - State Facility Air Permit Application

Compact Disk 2

- Joint Application for Permit - Proposed MTS Conversion Program
- North Shore Public Participation Plan Report
- Hamilton Avenue Public Participation Plan Report
- Southwest Brooklyn Public Participation Plan Report
- East 91st Street Public Participation Plan Report