



The City of New York
BUSINESS INTEGRITY COMMISSION
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Michael J. Mansfield
Commissioner/Chair

TRADE WASTE ADVISORY BOARD
MEETING MINUTES

Date: June 25, 2009

Time: 10:05 AM – 11:05 AM

Location: 100 Church Street 20th Floor, New York, NY 10007

NEXT MEETING: August 20, 2009, 10:00AM

Attendees:

| Name | Entity |
|-----------------------|---|
| Edward Apuzzi | IESI NY Corporation |
| Louis Fava | Liverpool Carting Co. Inc. |
| Dennis Gaeta | Gaeta Interior Demolition Inc. |
| John Isabella | Isabella City Carting Corp. |
| Frank LoMangino | Joro Carting Inc. |
| Charles Rotante | Chambers Paper Fibers Corp. |
| Robert Shirlaw | Big Apple Sanitation Inc. |
| Michelle Ann Cardella | Cardella Carting Corp. |
| Eric Dorsch | Deputy Commissioner for Legal Affairs / General Counsel - BIC |
| Sarah Nasir | Director of Audit - BIC |
| Ira Spaner | Director of Management Information Systems - BIC |
| Matthew Gonzalez | Computer Analyst - BIC |
| Michael J. Mansfield | Commissioner/Chair - BIC |
| Stephen Verrelli | Chief Investigator- BIC |
| Ilene Chin | Deputy Commissioner for Administration and Operations - BIC |
| Hector Serrano | Assistant Commissioner for Licensing - BIC |
| Chris Mahon | Director of Investigations - BIC |

Agenda:

1. Update on issues from last meeting
2. Cardboard theft
3. Upcoming rule changes
4. New fee schedule

Members not present:

None.

Discussion

Agenda

The Commissioner started the meeting by stating that the Commission has taken steps to address most of the input and advice from the prior TWAB meeting.

Subcontracting

Eric Dorsch, General Counsel, stated that in response to a Board request for a standardized subcontracting form, the Commission had developed a preliminary form for all licensees to use. Mr. Dorsch distributed the form and invited the Board members to comment. The Commission will distribute the final version of the form in the next two (2) weeks.

Financial Statements

Sarah Nasir, Director of Audit, talked about the financial statements. The Commission decided that audited financial statements would only be required every other year, and during the off-years a review or a compilation would be sufficient. The financial statements may be completed by a licensee's in-house accountant. Based on several consultations with accountants and licensees, the Commission is confident that this change should result in substantial cost savings to licensees and licensees are encouraged to have their accountants contact Ms. Nasir if there are any issues.

Ms. Nasir then stated that the Commission will allow licensees to retain copies of disbursement checks electronically. The licensee is required to keep/maintain checks disbursed in an electronic format for up to five (5) years as required by the rules and regulations of BIC. They may maintain this on CD or any other format. A question was then asked about receivables to which Ms. Nasir stated that at this time licensees will continue to maintain paper copies.

Unlicensed Activity

Stephen Verrelli, Chief Investigator, updated the Board on BIC's continuing progress on unlicensed activity in the five boroughs. He stated that violations are up 300% on unlicensed carters. He also noted that BIC uniformed staff are working with the Triborough Bridge Tunnel Authority (TBTA) and other city agencies to curb the unlicensed carters business in the city. He also stated that the Commission is also targeting transfer stations for unlicensed activity. He encouraged Board members to call in complaints about containers from unlicensed carters. The Commission will follow-up and issue all appropriate violations.

A question was posed about whether a transfer station can accept waste collected outside the City by an unlicensed carter. The Commissioner and Mr. Dorsch stated they will look into the issue. Another question was brought up about the type of vehicle which can move waste in the city. Some of the examples given were pick-up trucks, vans, roll-offs, and trucks. Mr. Verrelli stated that any of the vehicles can be violated if they engage in unlicensed activity.

Contracts

Mr. Dorsch explained that the Commission is proposing a rule change to eliminate the requirement of making proposed contracts by certified mail. A carter would still need proof that they sent a contract to a customer. It was also stated that licensees must mail a proposed contract to customers.

Customer Register

Ira Spaner, Director of MIS, stated that some changes had been made regarding both instructions and field layouts for the customer register. He stated that separate documentation was now available for both the Excel and Access versions of the register. Mr. Spaner also stated that the register would be going out on CD instead of floppy disk for this period and that the register would be going out in the next few weeks.

Cardboard Theft

Mr. Dorsch explained another proposed rule change which would make it a violation for a licensee to take recyclables without an agreement or subcontract. Mr. Dorsch stated that if one licensee steals another licensee's cardboard that it is a violation of our rules and regulations.

Upcoming Rule Changes

The Commissioner and Mr. Dorsch discussed rule changes that would affect the different classes of businesses which the Commission regulates. Mr. Dorsch stated that registrants will now have to abide by the same rules as a licensee regarding marking containers. He explained how a licensee who is also a broker cannot broker an agreement between a commercial establishment and the licensee.

A question was raised as to whether brokers were charging above the rate cap to increase their revenue stream. The Commission said they would look into the matter. Another question was raised as to whether there was a list of accepted brokers within the City of New York. Mr. Dorsch stated that there is a list on the agency's website (www.nyc.gov/bic) and that only those who have been approved should be on that list. The Board was reminded that should it encounter any brokers who are not on the list or they deem questionable, they should notify the Commission to see whether it is an approved broker.

Fee Schedule

The Commissioner discussed the fee schedule, highlighting that the agency has a statutory requirement to recoup its costs associated with investigating and issuing licenses and registrations. The Commissioner noted that these fees have not been adjusted since 1997. He stated that the agency worked with the City's Office of Management and Budget (OMB) to compute the new fees for licenses and registrations through a citywide formula. The Commissioner stated that the proposed new fee for licensees per renewal period was \$5000.00 which would include the registration of one vehicle. In addition, the new vehicle registration fee would be \$500.00.

Mr. Dorsch reminded the Board that there would be a public hearing on the new fee schedule on July 31, 2009 and that any comments are welcome including any ideas that other ways that the Commission could ease the affect of the fee increases.

Miscellaneous

The issue was raised that DSNY was violating companies that were working an early shift for noise, and that they were told the timeframe had moved from 6am to 8am. The Commissioner stated that the Commission is going to look at inviting some DSNY personnel to the next board meeting and that all

interested parties should send any questions and/or concerns in advance so that the DSNY personnel could be prepared.

Another issue was raised if a licensee was to do audited financial statements this year, if they could do a review or compilation done next year. Ms. Nasir stated that they can submit an audited financial statement for this period and next period submit a review or compilation.

An issue was raised as to whether a licensee who needs to employ someone in an emergency fashion (a dispatcher for example) can be put on a temporary approval while still submitting the prospective employees details to BIC for review instead of waiting the required 10 business days. The Commissioner said they would look at the issue.

The meeting was adjourned at 11:05 AM.