



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

TRADE WASTE ADVISORY BOARD
MEETING MINUTES

Date: April 23, 2009

Time: 10:05 AM – 11:43 AM

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

NEXT MEETING: June 25, 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.
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
Hope Kennedy	Chief of Staff - BIC
Ilene Chin	Deputy Commissioner for Administration and Operations - BIC
Hector Serrano	Assistant Commissioner for Licensing - BIC
Chris Mahon	Lieutenant - BIC

Agenda:

1. Customer register / financial statements
2. Subcontracting
3. Unlicensed activity
4. New license plates
5. Fees
6. Competitiveness of the market

Attendees not present:

1. Michelle Ann Cardella
 (Cardella Carting Corp.)

Discussion

Discussion of Meeting Time

It was determined that the next meeting of the Trade Waste Advisory Board will be on June 25, 2009 at 10:00 AM.

Meaning of the Trade Waste Advisory Board

The Commissioner explained that the main purpose of the advisory board is to hear from the trade waste industry and for the commission to get insight into the industry as well as get input on changes that the Commission may be considering for the future.

Customer Register

The Commissioner stated that main reason for the increased emphasis on the customer register is for the Commission to get accurate information on customers and also to help the Commission better understand what is going on in the industry. The Commissioner emphasized that this information is vital for the Commission's continued evaluation of the rate cap.

The Commissioner introduced Ira Spaner, Director of MIS. Mr. Spaner discussed how the register had been enhanced with more fields to allow more insight into the industry relating to rate cap charges. He stated that in January 2008, the additional fields were added, and a grace period was given to allow carters to adjust to the new fields. He then went on to state that in July 2008, the customer register submissions were held to a stricter standard to ensure accurate and complete data.

In addition, Mr. Spaner explained how the newer fields allowed for easier complaint tracking. The Commission uses this information to alert customers when a carter goes out of business. He noted that if address information was not correct then the customer would not be able to be as informed. Mr Spaner explained that about 45% of the commission's mailing to customers of a carter were returned detailing incorrect address information.

Mr. Spaner then introduced Matthew Gonzalez, Computer Analyst. Mr. Gonzalez is the contact for any questions regarding the customer register (212-676-6209). The Advisory Board was then reminded that should they or any carter have a question or be in need of information, they can always call Mr. Gonzalez regarding the customer register.

The Advisory Board members were reminded that BIC does have an e-mail account setup to receive customer register information (customerregister@bic.nyc.gov) as a secondary submission method to postal mailing. A carter raised a concern as to the field letters and their difference between the Access and Excel versions of the customer register. The Commission stated that it will work to create a different list for the Excel and Access versions and label them as such for future customer register mailings.

Eric Dorsch, General Counsel stated the Commission is hesitant to delete fields from the customer register as it may cause an undue burden to the carter. An issue was raised with the "Route" field on the customer register and how it could be used for only one route when if a customer is picked up multiple times in a week that that customer could be on several different routes. Mr. Spaner stated that the "Comments" section in the customer register was created for that reason and any other secondary data that would not fit into the fields. The same case was made for the "Transfer Station" fields in the register. It was stated that because a transfer station could be full, closed, or more expensive, through the

six month period it would be impossible to say one customer goes to only one transfer station. Sarah Nasir, Director of Audit, stated that if this was the case that additional info should be placed in the “Comments” field as necessary. Mr. Spaner then stated that the majority transfer station for the period should be placed in the field and any others should be placed in the “Comments” section of the customer register.

An issue was raised as to whether the perceived increase in violations being issued by the Commission was primarily for the agency to raise revenue. The Commissioner stated that violations were issued to get complete and accurate information so that the agency can use it for regulatory issues and for future assessments of the rate cap.

Another issue was raised with the “Customer Authorized Representative”. Carters stated that they often only have a first name for the customer representative. One carter requested that the Commission send a strongly worded letter to the carters ordering compliance. If the carters enclosed this letter in a mailing to the customer, this would increase compliance from the customer. There was a discussion about the necessary time period for notifying the carters as to what changes were going to take place with the customer register.

Financial Statements

Ms. Nasir then discussed the certified financial reports. She reminded the board that financial statements must be audited by an independent certified public accountant. She then went on to state how they were used to show compliance within the industry and point out those who are not in compliance. These records are used in conjunction with the customer register to find major issues in the industry. There was further discussion about the fine for the violations issued for a missing financial statement. A complaint was raised about not being given time to produce the relevant records during an audit. Ms. Nasir stated that the auditors work with the carters to get information in as timely a manner as possible.

Unlicensed Carters

The issue was raised that there are a lot of unlicensed carters who have operations in Long Island that are doing work in NYC without a commission license. Stephen Verrelli, Chief Investigator, stated that unlicensed roll-off and container violations have risen exponentially in the past year. It was also stated that uniformed and non-uniformed Commission investigators and officers are being deployed throughout the city and at the city’s bridges, tunnels, and parkways to thwart unlicensed carting activity. The Commissioner then announced Deputy Commissioner Ronald Cohen’s departure and stated that Lieutenant Chris Mahon will be supervising investigations.

There was discussion as to whether a container left on a city block empty is violating the Commission’s rules. Mr. Dorsch stated that the container being there alone is not illegal; it is illegal to move it with trade waste inside without a license/registration. The Commissioner then reiterated the need for accurate address information as it allows the agency to map out and deploy resources to more unlicensed activity-prone areas.

New License Plates

Hector Serrano, Assistant Commissioner for Licensing, talked about the license plates that the Commission gives to carters to place on their trucks. He noted the problems with the old license plates: lack of an expiration date and carting companies who go out of business or lose their license can still using the plates on trucks illegally. He added that the Commission has new orange license plates that come with an expiration sticker. He then went on to state that distributing new plates will be completed

by January 2010 or sooner. He let the Advisory Board know that they would receive the plates in a staggered manner as they will be exchanged as the renewal period for each carter comes up.

Subcontracting

A carter requested that carters be given temporary permission to subcontract pending an ultimate determination. The Commissioner mentioned the agency's zero-tolerance policy for subcontracting that has not been approved. The Commission then reminded the Advisory Board that there must be 30 days advance notice for any subcontracts. An idea was given that there should be a standard subcontracting form and instruction guide for carters to use when requesting permission to subcontract. The Advisory Board was in agreement and the Commission indicated they would work on drafting such a form.

The Commissioner asked the board's for thoughts about using subcontracting in order to expand into a new area. In general, the board opposed this use of subcontracting, but some members liked the idea.

Miscellaneous Issues

The Commission then opened the floor for any open issues that the Advisory Board had with current issues in the industry. One issue was to change audited financial statements to review statements because of the financial burden it imposes on the carters. Ms. Nasir stated that the financial statements are indicative of a company's health and are generally necessary. The Commissioner said he would consider the issue.

Another issue was raised with notification to BIC of a new employee. The Advisory Board stated that because an employee may be hired before then to get a crucial job done, 10 days is too long to get approval for an employee. They asked for a temporary approval for an employee until he/she is checked out or a shorter time to notify the Commission.

Carters raised the issue that cardboard theft has returned. The Commissioner explained that the agency has several major long-term criminal investigations into cardboard theft that have recently become active again because of the price of cardboard.

A carter requested that carters not have to provide paper copies of checks and invoices during an audit. Ms. Nasir said she would figure out a way for this to happen.

A carter requested that proposed contracts not have to be sent by certified mail. The Commissioner said he was considering it.

The meeting was adjourned at 11:43 AM.