



Shari C. Hyman
Commissioner and Chair

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GREASE TRADE WASTE ADVISORY BOARD
Meeting Minutes

Date: February 28, 2012

Time: 10:00AM – 11:45 AM

Location: 100 Church Street, Second Floor - Room 2-160, New York, NY 10007

Agenda:

1. Introductions
2. Commissioner's Remarks
3. Industry Issues
4. Industry Feedback and Open Discussion

Business Integrity Commission (BIC) Attendees:

Shari C. Hyman, Commissioner and Chair
Megan Bacigalupi, Chief of Staff
Jayant Kairam, Chief Operating Officer
Abigail Goldenberg, General Counsel
John Curry, Assistant Commissioner for Legal Affairs
Chris Mahon, Director of Investigations
Ruben Santiago, Director of Markets
Edward Miranda, Investigator
Cristian Santos, Market Agent
Matthew Gonzalez, Associate Director of MIS
Peter Relyea, Policy and Background Analyst

Department of Environmental Protection (DEP) Attendees

Leslie Lipton, Chief, Division of Pollution Control and Monitoring
Pravin Patel, Chief of Inspections

Industry Attendees

Dan Scully, Tully Environmental
Greg Tricola, Midland Carting
Todd Magee / Robert Serraco, American By-Products
Steve Oh, Bio Energy Development
Ed Gunderson, M&E Soap
Stewart Grabois, Darling International / J&R Rendering

Non-Attendees

Scientific Fire dba Samiro Services
Cesspool Man Inc dba CMI Services



Prepared Comments

Commissioner Hyman opened the board meeting by thanking the invitees for attending and explaining the role and importance of the trade waste advisory board. Members were informed that the Commission is aware of the issue of grease theft and that they are working currently on making strides to stop such theft in the industry.

Commissioner Hyman highlighted the current DEP/BIC initiative aimed at combating unlicensed grease haulers and bringing commercial businesses compliance by utilizing a licensed grease hauler for disposal. As a result, BIC and DEP have done 28 joint inspections, of which 11 locations have been issued DEP summonses, and 9 have been issued BIC summonses.

She went on to explain that the purpose of the board is to generate possible enforcement and policy ideas and get the industries input on these. In addition, BIC wants to come up with business education initiatives that can inform both the customer and the industry about the prevalence of grease theft and how it can be mitigated. Commissioner Hyman then opened up the floor for discussion to the board.

Open Discussion

Industry members opened up by explaining that the theft of grease in the industry in NYC as well as surrounding areas is greater in scope than many believe. They noted that in New Jersey, there have been many successful prosecutions for grease theft. While successful, they admit the biggest issue aside from catching grease thieves in New York City is building interest among within the law enforcement community.

Members then spoke about their efforts to combat grease theft both locally as well as in other states. They noted that they have hired Private Investigation (PI) firms and setup sting operations and surveillance initiatives to catch criminals in the act. One board member spoke about their most recent visit to the Biofuel Expo in Las Vegas. He noted that one new tool in the combating of grease theft is to utilize Deer Cameras, as they are sensitive to movement and use infrared to take highly detailed images of the surrounding area.

BIC reminded the board that any intelligence that they may have or may be able to get, they should report. BIC noted that while the world of grease theft is large, we need more information from the industry to combat it. It was noted that there are not many complaints classified under grease theft, and if any carter would like to report grease theft intelligence or information, they can contact 311 or call the agency's complaints hotline at 212-676-6300. BIC stressed the importance of proper intelligence from the industry to combat theft, and that the agency hasn't received the volume of complaints it was expecting.

The premise of utilizing "nano-transmitters" to track grease receptacles was brought up by the board. It was noted that New York and Connecticut both allow tracking devices, but in NJ you need a permit. Members noted that these days it is not worth the cost to replace a receptacle that has been broken, so they leave the damaged equipment. Members then spoke about grease theft tactics, noting that many thieves target particular areas of the city where English may not be the primary language of business owners. Thieves take advantage of this language barrier and are able to effectively haul grease from businesses unaware of requirements. They also said there have been advertisements given out and on the web detailing that they will buy grease from businesses "No Questions Asked".

Some solutions were brought into discussion about how to better service customers so that grease haulers are able to obtain their grease. Some solutions that were discussed included educating the customer that you will only come on specific days and to only allow grease to be picked up on the day agreed upon by the hauler and customer. There was also talk of educating the customer about licensed grease haulers and how to verify that one is licensed.

DEP reminded the board that while yellow grease is at the forefront of the theft problem, they are forgetting about brown grease and the affect it has when not properly disposed. The question was raised as to whether brown grease is ever mixed with yellow grease. Carters responded by stating that when thieves are going into a business under the guise that they will be picking up the businesses brown grease, they will usually skim some of the trap into the truck, and then collect the yellow grease in the same truck. Because brown grease is water and fat, the water sinks to the bottom and a thief's truck will usually go over a manhole and dump the water into the sewer system, leaving pure grease in the truck after dumping off the water.



Some members recommended a manifest system for grease pickups, similar to cradle-to-grave reporting done in other states. BIC pointed to the customer register as a proxy for a manifest system, but indicated they were interested in more ideas on how to make the reporting requirements more useful to the carters and the agency in the future. A question was brought up by a member asking if you could transfer a license to allow vehicles or a company to get grease from stops as the board noted instances where companies were being lent license documents and plates to be able to obtain grease from NYC businesses. BIC stated that a license is not transferable, and further instructed any licensee seeing evidence of this practice to inform BIC.

Discussion continued on the merits of customer outreach with members asking BIC to consider giving licensees material to give out to their customers. They stated that information coming from the City is more accepted than when it comes from the carters themselves. Members asked what initiatives BIC is currently working on to alleviate thefts in the industry. BIC stated that it is utilizing data from their own reporting requirements (customer register, complaints) as well as other city agencies to identify hotspots and other areas for enforcement initiatives. DEP stated that they are doing outreach to restaurants as they inspect to advise them for how to properly get rid of grease from their business by utilizing a BIC licensed carters. Members asked if BIC can institute mandatory decals for grease haulers, and try to utilize other city agencies such as the Department of Health and Mental Hygiene (DOMH) to get more data on restaurants and possibly cross train health inspectors on BIC waste removal regulations as it relates to grease removal.

Members also inquired about legislative action to benefit grease haulers. They asked if there was currently any law barring commercial businesses from removing or cleaning their own grease, both DEP and BIC stated there is not currently. The board then asked about hood cleaners/fire suppression maintenance companies and how they are licensed. The Commission stated that if such companies are removing brown grease or any grease from commercial premises, they need a license with the Commission. They asked if any licensees know of a business who is doing such work, to call the complaint hotline and let the Commission know of the address and if possible, name of the company who is doing such work for the Commission to follow up on. Members suggested that in certain instances commercial businesses are complicit in illegal hauling. For example, a commercial customer will have a licensed grease carter service their location for a receipt. Then they will not call the carter for repeat service, and instead let unlicensed entities take their grease. Then when DEP or BIC show up to ask about their carter, they show the receipt from the licensed hauler.

One member recommended that BIC institute a medallion program similar to how the taxi system in NYC. Their rationale was if there are approximately 30,000 restaurants in NYC, and approximately 12,000 of those actively produce grease, then the grease hauler industry can become saturated very quickly. The member stated that in a medallion system, grease haulers can pay for a medallion which enables them to be the official companies to pick up any grease in NYC. This would then keep the market from becoming too saturated with grease haulers, and allow those who have current medallions to do the service efficiently and effectively. BIC stated that the current license plate system is much like a medallion, but that in the end most customers won't come out to inspect a truck for such plates, and that they just want the waste gone from the premises. Moreover, BIC stated that a medallion system doesn't necessarily guarantee that the theft issue would be resolved.

Members asked about the legalities of a company if they are a current licensed BIC grease hauler and they have infractions from out of state. They wanted to know if these infractions could count against a hauler, and possibly be grounds for denial. BIC stated that they would look into it, but noted that the Commission can deny companies who have illegal character or convictions in NYS, BIC then reminded the board that should they have such intelligence, to let the agency know for follow up action. Members stated that the model for new companies that are getting into the business is to get some small accounts, and steal the rest from other licensed haulers. Members indicated to BIC that businesses are loyal only when City entities show up to inspect or probe them. When asked by the BIC if most companies have contracts with their customers, they stated that yes they do. They noted while this is the case, most thefts happen around early to mid morning hours (2:00AM to 5:00AM) and so it is hard to work with customers to safeguard the grease.

Commissioner Hyman thanked the companies for participating in the session and asked that they contact the BIC should they have any actionable intelligence they wish to share. This can include videos, photos, and other information. She noted the importance of intelligence in understanding the thefts going on in the city, and how it can assist us in developing initiatives to stop such thefts in the future.