

FAQs: Commercial Waste Zones

What are Commercial Waste Zones (CWZ)?

The Department of Sanitation is proposing reforms to the commercial waste hauling industry to **improve New Yorkers' safety and quality-of-life, promote a cleaner environment, and ensure the efficient and orderly collection of commercial waste.** The City is working to implement commercial waste collection zones, a **system of geographic zones to contain routes** and create a modern, efficient commercial waste collection system. The City will use a competitive bidding process to select **between three and five carters to collect waste in each zone.** This will **ensure that only carters that operate safely and that offer the lowest price and best customer service** will serve New York City businesses.

In each zone, a **customer may pick the carter that they prefer.** Just like today, they will be able to negotiate price, pick-up schedules, and make service arrangements that are tailored to their needs.

Why does DSNY want to implement CWZ? Why now?

The City is committed to improving the lives of all New Yorkers by taking proactive steps to improve the environment and public safety, both of which are threatened by the existing commercial waste industry. As proposed in One New York: The Plan for a Strong and Just City (OneNYC), the City conducted a study to evaluate the feasibility of a zoned commercial waste collection system and assess the potential benefits to safety, working conditions, and the environment. The results were strikingly clear: **commercial waste zones will create a safe and efficient collection system that provides high quality, low cost service while advancing the City's zero waste goals.**

How many zones will be in this system? Will this be an exclusive zone collection system (with only one carter per zone)?

The City will institute a **non-exclusive zone system containing approximately 20 zones.** This means that between **3 and 5 carters will operate in each zone.** The final zone design is being refined and will be made public later in 2018. Zones are being designed to ensure that they are desirable to carters, receive quality bids, and allow robust competition within the zones. The design will also provide a **fair playing field for large, medium, and small carting companies.**

What types of waste collection does this include?

The commercial waste zone proposal covers **standard trash and recycling, as well as organic waste collection.** It does not include construction and demolition waste (C&D), fill, medical waste, grease, or certain specialty services such as shredding or one-time clear-out/junk carters.

Won't limiting choice make carters less responsive to customers' needs?

DSNY's top priority in switching to a zoned system is **ensuring that customer service is maintained or improved.** With input from stakeholders, including many representatives of business groups and trade associations, the system will include **robust customer service requirements** for carters to win and continue servicing a zone. Carters will be under contract to meet these high service standards to all its customers in the zone, or risk financial penalties and contract termination.



Will a business be locked into a contract with carter?

No. The City will ensure that CWZ carters provide a **baseline standard of service** to all customers in the zone that request its services. Beyond the baseline service requirements, the customer will have the choice of several carters in their zone, and will be able to **negotiate a contract that best meets its specific needs, just like today**. If a customer finds its service to be unacceptable, it may easily change to another carter in its zone.

I heard that other cities changed to franchise systems and it was a disaster.

Franchising has been used by cities throughout the country as a tool to achieve different policy objectives, such as increasing recycling participation, lowering customer costs, and helping to fund modern waste and recycling infrastructure.

The City is confident that this system will bring New York City **significant environmental, safety, and quality of life benefits from reduced truck traffic**. The tool will also be used to guarantee **strong customer service standards and fair pricing guidelines, increase recycling rates, and improve public and worker safety**.

Every city's waste systems are unique and therefore zone collection policies need to reflect the realities and goals specific to that city. The experience of other cities has been evaluated and considered, but ultimately the City is **committed to designing a system that works for the unique conditions in New York City**.

Ok, but I've heard a lot of complaints about a similar zoned system in Los Angeles, how do you respond to that?

There are a **number of differences** between Los Angeles' system and New York City's proposed CWZ system. To begin, **LA implemented an exclusive zone system**, which allows for only one carter per zone. New York City intends to implement non-exclusive zones, allowing for multiple carters to operate within a single zone. Additionally, **DSNY has been closely monitoring what has and has not been working in LA's rollout**. One major lesson learned is the need for a long transition period to allow carters and customers to understand the new rules and adequately prepare for change.

What are the immediate next steps?

The City is conducting a **robust, multi-year analysis** of commercial waste zones to ensure that the program meets the diverse needs of New York City. The City anticipates that a **competitive solicitation process for the zones will take place in 2020** and contracts between the City and carters will be awarded and registered in 2021. The **service transition period will begin in 2022** and will be long enough to **allow a smooth adjustment** to the new CWZ system for all parties.



Will businesses still be able to choose their own carter?

Yes, because the City intends to implement a non-exclusive zoned system (where customers will be able to choose from up to five carters in a zone), **customers will still have the ability to “shop” for a carter** that meets their specific needs at a mutually agreed upon price point.

Will businesses still have options regarding the level of service they receive?

Yes. The City recognizes that different businesses have different needs from their carters. Just like today, **customers in CWZ will still have the ability to work with their carter to decide levels/details of service** such as collection time, frequency of pick up, set out method, etc. If a customer is not satisfied with a carter’s service options, it can switch to a different carter that better meets its service needs.

Won't this raise the cost of service to customers?

No, zoned collection, in and of itself, does not lead to increases in prices to customers. In fact, this system will **allow carters to use dramatically more efficient routes and operations that may lower customer prices**. Additionally, since the zones will be awarded through a competitive solicitation process, the **ability to offer low prices to customers will be prioritized by DSNY in evaluating carter proposals**. DSNY plans to work extensively with stakeholders to create a system that will ensure fair, transparent, and low prices.

What happens if I have multiple buildings across several different zones?

The City is acutely aware that this is a concern for commercial property owners. Because carters will be allowed to bid for, and win, multiple zones it is possible that property owners will be able to **contract with the same carters across different zones**. In cases where this is not possible, the **ability to better understand pricing should allow for property managers to secure contracts that provide for strong service** and competitive pricing across their property portfolios.

I need timed pick-ups for my buildings, what can you do to give me some reassurance about this?

Like today, property owners will maintain their ability under CWZ to **work with their carter to provide timed pick-ups**. If a customer is not satisfied with their carter’s service and options for collection at a specific time, the customer will be able to leave their carter and find a different carter that can provide the service they need.

