



City of Mission Viejo

Office of the City Manager

Wendy Bucknum
Mayor

Edward Sachs
Mayor Pro Tem

Brian Goodell
Council Member

Trish Kelley
Council Member

Greg Raths
Council Member

September 15, 2022

The Honorable Judge Erick L. Larsh
Presiding Judge of the Superior Court
700 Civic Center Drive, West
Santa Ana, CA 92701

**RE: Response to 2021-2022 Orange County Grand Jury Report,
“Where Have All the CRVs Gone?”**

Dear Honorable Judge Erick L. Larsh:

The City of Mission Viejo has reviewed the Orange County Grand Jury Report entitled, “Where Have All the CRVs Gone?”. As required by California Penal Code sections 933 and 933.05, the City of Mission Viejo is responding to the findings and recommendations included within the report. Each of the findings and recommendations is listed below in italics, followed by the City’s response.

Findings:

F1: Due to the reduced availability of convenient CRV redemption sites and the lack of accurate online information, it is difficult for resident consumers to redeem CRV fees.

Response: Based on the information presented in this report, the City of Mission Viejo generally agrees with this finding. However, with regard to online information, the City of Mission Viejo’s website includes an environmental webpage with extensive information about recycling, including the location of local CRV redemption centers.

F2: Because redemption site locations have diminished in number, waste haulers are the beneficiaries to the CRV fees paid originally by resident consumers.

Response: Based on the information presented in this report, the City of Mission Viejo agrees that waste haulers are likely collecting more CRV revenues than when there were more redemption centers. However, in a competitively bid solid waste and recycling contract such as Mission Viejo’s, these additional revenues are likely accounted for with rates to resident consumers lower as a result. Thus, it stands to reason that resident consumers are at least partial beneficiaries of CRV revenues collected by waste haulers.



F3: CalRecycle is attempting to improve CRV redemption and reduce CRV recyclables from landfills and are offering financial incentives to do so. Orange County and its cities are not fully taking advantage of the grant or pilot program opportunities available through CalRecycle.

Response: Based on the information presented in this report, the City of Mission Viejo agrees with this finding. While the City of Mission Viejo utilizes the annual Beverage Container Recycling City/County Payment Program (funded by CRV) to establish recycling programs at schools (which benefit from the resultant CRV revenue), it does not currently pursue pilot program grants for reasons discussed under R1 of "Recommendations" below.

Recommendations:

R1: By January of 2023, each of the cities in Orange County should research and apply for available grants or pilot programs from CalRecycle for their community that focus on returning more CRV funds to their residents.

Response: The City of Mission Viejo already applies for, receives and utilizes CalRecycle's Beverage Container Recycling Grant Program on an annual basis. Other grant and/or pilot programs will need to be researched for viability. However, it is the City's position that the primary responsibility for rectifying declining CRV redemption should not be passed from the State to local agencies. As stated in this report, the State's CRV program was once successful, but has become a failed model due to inadequate payments from CalRecycle to cover costs such as the increase in minimum wage for redemption center employees. Rather than using unredeemed CRV fees to fund the establishment, administration and oversight of numerous unproven local programs (at least some of which are bound to fail), simply increase the payments from CalRecycle to redemption centers to make them once again economically viable. Investment in restoring a single, more efficient free-market-based program, already proven to work well, is a far better use of the funds.

R2: By January of 2023, the Orange County Board of Supervisors should require OC Waste & Recycling to research and apply for available grants or pilot programs from CalRecycle for the unincorporated areas of OC that focus on returning more CRV funds to their residents.

Response: The City of Mission Viejo will not implement this recommendation because both the Agency (OC Waste & Recycling) and the focus areas (unincorporated Orange County) are not within the City's jurisdiction, control or authority.

R3: When renegotiating their current waste hauler contract, all cities and the County of Orange should assess the value of the CRV funds received by the waste hauler in their jurisdiction and creatively leverage this revenue for the benefit of their residents.

Response: The City of Mission Viejo recently completed a competitive process to enter into a new Solid Waste and Recycling hauler agreement, effective January 1, 2021. The term of the agreement



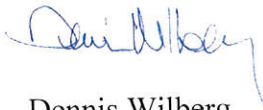
is a minimum of eight years; therefore, the soonest this recommendation could be considered for implementation is 2029, depending on whether the Agreement is extended by operation of its own terms.

R4: By January of 2023, all cities and the County of Orange should develop extensive community outreach programs aimed at educating the public about how to access CRV redemption in their jurisdiction.

Response: The City of Mission Viejo already performs extensive outreach regarding recycling, and CRV redemption center locations are provided on the City's website. However, the City will agree to add a more "CRV-specific" component to its outreach.

Should you have any questions or need any additional information, please contact Mark Chagnon, Public Works Director, at 949-470-3091 or via e-mail at mchagnon@cityofmissionviejo.org.

Sincerely,



Dennis Wilberg
City Manager

cc: Wendy Bucknum, Mayor
Edward Sachs, Mayor Pro Tem
Brian Goodell, Council Member
Trish Kelley, Council Member
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William P. Curley, III, City Attorney
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