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September 26, 2022

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

RE: City of San Juan Capistrano Response to Orange County Grand Jury Report Entitled "Where Have All the CRVs Gone?"

Dear Honorable Judge Larsh:

Please accept this letter as the City of San Juan Capistrano's response to the applicable findings and recommendations in the Grand Jury's report entitled "Where Have All the CRVs Gone?" The City was requested to respond to Finding F1, F2, and F3, and Recommendations R1, R2, R3, and R4. 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.

<u>City Response</u>: Based on the information provided in the report, the City of San Juan Capistrano agrees with this finding. The City of San Juan Capistrano has made efforts to inform CalRecycle of improvements that could be made to online resources, including providing accurate information as to the location of CRV redemption sites within San Juan Capistrano.

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

<u>City Response</u>: Based on the information provided in the report, the City of San Juan Capistrano agrees with this finding. Many resident customers choose not to redeem materials for CRV fees and instead choose the convenience of collection by waste haulers.

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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.

<u>City Response</u>: The City of San Juan Capistrano disagrees partially with this finding. The City of San Juan Capistrano actively researches CalRecycle programs and grants for which the City is eligible; however, the competitive process and one-time nature of most CalRecycle funding opportunities limits cities' ability to fund long-term programs. Additionally, non-competitive funding opportunities are based on population and the City of San Juan Capistrano's per capita share is insufficient to provide long-term programs. Additional analysis by CalRecycle to improve distribution of funding to Orange County cities is encouraged.

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.

<u>City Response</u>: This recommendation requires additional analysis to research available CalRecycle grant opportunities that focus on CRV funds specifically. The City of San Juan Capistrano is monitoring approaches taken by other public agencies and exploring potential collaborative pilot programs with non-profit groups including *Recycle from Home*. The viability of these opportunities positively impacting San Juan Capistrano will continue to be analyzed for feasible next steps.

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.

<u>City Response</u>: The City of San Juan Capistrano will not implement this recommendation as the operations of the Orange County Board of Supervisors, OC Waste & Recycling and unincorporated Orange County are outside the City's jurisdiction and 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.

<u>City Response</u>: This recommendation has not yet been implemented but will be implemented in the future. The City of San Juan Capistrano entered into a new Franchise Agreement with its waste and recycling hauler with term ending June 30, 2030. The soonest this recommendation could be considered for implementation would be July 2030.

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.

<u>City Response:</u> This recommendation requires further analysis as to the potential efficacy of additional community outreach programs to increase CRV redemption participation. The City of San Juan Capistrano currently makes information available on the City's website to assist resident customers with identifying

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available CRV redemption sites and provides CRV redemption site location information to resident customers that request this information from City staff.

Thank you for the opportunity to respond to the Grand Jury report. If you have any questions, please feel free to contact me at (949) 443-6314.

Sincerely,

Benjamin Siegel City Manager

cc: Orange County Grand Jury, 700 Civic Center Drive West, Santa Ana, CA 92701 San Juan Capistrano City Council