Responses to Findings and Recommendations 2021-2022 Grand Jury Report:

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"Where Have All the CRVs Gone?

Summary Response Statement:

On June 28, 2022, the Grand Jury released a report entitled "Where Have All the CRVs Gone?" Below are the responses to these questions from the City of Laguna Niguel.

Findings and Responses:

- F1. Due to the reduced availability of convenient CRV redemption sites and lack of accurate online information, it is difficult for resident consumers to redeem CRV fees.
- **Response:** Agrees with the finding. Though the City of Laguna Niguel does not have specific CRV redemption sites within its City boundaries; the City does have twelve in-store CRV redemption centers available to the public.
- F2. Because redemption site locations have diminished in number, waste haulers are the beneficiaries to the CRV fees paid originally by resident consumers.
- Response: Agree with the finding. Due to a diminished number of CRV redemption sites, CRV fees originally paid by resident consumers are being collected by waste haulers. CRV revenue paid to the waste hauler is in addition to the rates paid by customers. The additional CRV revenue collected by the waste hauler does not directly offset or subsidize rates paid to residents.
- 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:** Disagree partially with the finding. The City of Laguna Niguel consistently applies for CalRecycle grants when eligible. The City's prudent financial approach calls for the utilization of grant funds when applicable. The City makes a concerted effort to apply for all eligible and qualified grant funding opportunities.

Recommendation and Responses

- 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. (F3)
- Response: The recommendation has been implemented. The City of Laguna Niguel is consistently applying for eligible grants from CalRecycle that focus on returning more CRV funds to their residents. The City of Laguna Niguel applies for the City/County Beverage Grant Payment Program on an annual basis and is currently in the process of applying for the Beverage Container Recycling Grant Program. Grant funding for these programs will benefit the residents of Laguna Niguel.
- R2. By January 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. (F3)
- Response: This recommendation will not be implemented. The City of Laguna Niguel is not located in unincorporated Orange County.
- 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. (F2, F4)
- Response: This recommendation has not yet been implemented but will be implemented in the future. The City's franchise waste agreement was renegotiated and adopted in November 2018. The agreement has a term of ten years with two one-year extension opportunities that could extend the life of the agreement until December 31, 2030.

Prior to any subsequent franchise waste hauler agreement, the City of Laguna Niguel will assess the value of the CRV funds received by their waste hauler, and before attempting to leverage CRV revenue for the benefit of residents, the City will assess the impact of this action on rates.

- 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. (F1, F3)
- Response: This recommendation has been. The City of Laguna Niguel has a dedicated webpage on CRV redemption information. The webpage includes information on nearby CRV redemption centers and links to CalRecycle's beverage container webpage.