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Nancy Weiben Stock Presiding Judge of the Superior Court 700 Civic Center Drive West Santa Ana, CA 92701

Re: City of Laguna Niguel Response to 2006-2007 Orange County Grand Jury Report entitled "Assembly Bill 939 Waste Diversion: Are We Finally Making Progress"

Dear Judge Weiben Stock:

On May 25, 2007, the 2006-2007 Orange County Grand Jury issued a report entitled: "Assembly Bill 939 Waste Diversion: Are We Finally Making Progress". A copy of the Grand Jury Report is attached. All Orange County Cities are required to respond to Finding F-6 and Recommendation R-6 related to the issue of non-franchise haulers and unauthorized waste bins in cities.

The City of Laguna Niguel provides the following responses:

<u>Finding F-6</u>: The presence of non-franchise haulers and so-called "Ghost Haulers" bins, in cities which bypass the recycling system, needs to be corrected to establish the waste haulers confidence that their municipalities are looking out for their best interests.

<u>City Response</u>: The City agrees with the finding. The presence of non-franchised haulers and unauthorized waste bins undermines the concept of an exclusive franchise and compromises the City's recycling efforts and AB 939 compliance.

<u>Recommendation R-6</u>: Municipalities need to solve their unauthorized waste bin problems by enacting city ordinances forbidding these practices, imposing fines, including stepped-up fines for additional violations, and impounding unauthorized bins.

<u>City Response</u>: The recommendation requires further analysis. CR&R, the City's exclusively franchised hauler, has requested that the City consider enactment of an ordinance that would permit the City or CR&R to impound unauthorized bins after proper notice to the owner. The City Council will consider enactment of such an ordinance as part of the City's FY 07-08 Work Program and provide a progress on this issue by March 31, 2008.

Thank you for the opportunity to respond to this Grand Jury Report.

Yours truly,

Gary Capata Mayor

Cc: City Council

City Manager

Orange County Grand Jury