



CITY OF NEWPORT BEACH

OFFICE OF THE MAYOR

Mayor

Steven Rosansky

Mayor Pro Tem

Edward D. Selich

Council Members

Keith D. Curry

Leslie J. Daigle

Nancy Gardner

Michael F. Henn

Don Webb

September 21, 2007

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

Re: Orange County Grand Jury Report - Assembly Bill 939 Waste
Diversion: Are We Finally Making Progress?

Dear Judge Wieben Stock:

The City of Newport Beach has been asked to respond to Finding F-6 and Recommendation R-6 contained in the above Grand Jury Report. As such, we have included the following in response:

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

The City of Newport Beach agrees with the Grand Jury's finding. Unauthorized waste haulers make it difficult for cities to effectively monitor tonnage and diversion amounts in accordance with AB 939. In the City of Newport Beach, we utilize a non-exclusive franchise system for commercial, multi-family, and industrial units. Through this system, franchised haulers are required to submit monthly tonnage reports to help monitor diversion levels. Unauthorized waste haulers undermine the ability of cities to manage the waste stream. Newport Beach utilizes City staff to identify unauthorized haulers and ensure compliance with our franchise system.

Recommendation R-6: 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.

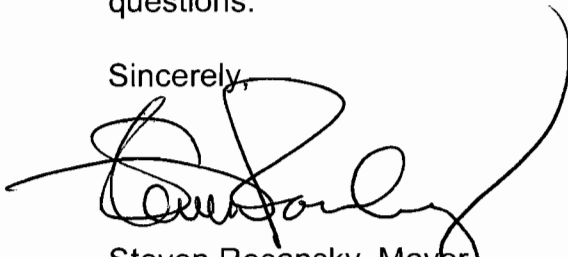
The City of Newport Beach has established compliance provisions to discourage unauthorized waste haulers from operating without an official City franchise. Unauthorized haulers are subject to fines and penalties as established by City Municipal Code.

Since 1995, the City has used a non-exclusive franchise system to manage commercial, multi-family, and industrial waste. Currently, the City has 25 waste haulers that are authorized to service these units. In addition, single-family residential service is performed either by City staff (approximately 90% of the City) and exclusive franchise (10% of the City).

The City does not have an established unauthorized bin impound program. In order to help prevent the use of unauthorized haulers, the City provides a list of franchised waste haulers when residents apply for a demolition permit. Additionally, residents must obtain a temporary street encroachment permit prior to placing a bin or roll-off in the public right of way. Both of these measures help City staff track active construction projects and help ensure that residents use franchised haulers. If an unauthorized hauler is found operating in Newport Beach, City staff will immediately notify the hauler that the bin must be removed and provide information on how to obtain a valid solid waste franchise.

Thank you for the opportunity to respond to the Orange County Grand Jury's findings and recommendations. Please feel free to contact Mark Harmon, General Services Director, at (949) 644-3055 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Rosansky", with a large, sweeping flourish extending upwards and to the right.

Steven Rosansky, Mayor
City of Newport Beach

cc: City Council
Homer Bludau, City Manager
Mark Harmon, General Services Director