July 5, 2007

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

Dear Judge Wieben Stock:

The City of Mission Viejo has reviewed the 2006–2007 Orange County Grand Jury report titled “Assembly Bill 939 Waste Diversion: Are We Finally Making Progress?” All Orange County cities are required by Penal Code 933.05(a) and (b) to respond to Finding F-6 and Recommendation R-6 of the report.

Below is the City of Mission Viejo’s 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.

Response to Finding F-6:
The City of Mission Viejo concurs with the Grand Jury’s findings that the presence of illegal waste haulers needs to be corrected so that franchise haulers will have confidence that the cities they contract with are looking out for their best interests. In Mission Viejo, illegal haulers create a number of concerns for both the waste hauler (Waste Management of Orange County) and the City: (1) Illegal haulers interfere with Waste Management’s and the City of Mission Viejo’s efforts to achieve and maintain the AB 939 diversion rate of 50%; (2) Illegal haulers take income from the franchised haulers; (3) Illegal haulers do not obtain the necessary permits from the City giving them permission to place their bins in the public right-of-way; and (4) Illegal haulers cause the City to lose solid waste franchise fees.

The City of Mission Viejo requires its waste hauler to take all construction and demolition material collected in construction bins to a certified processing facility where it is sorted and a diversion rate of 75% is achieved. Illegal haulers interfere with this process, which costs the
City diversion material. The adoption of a Construction and Demolition Waste Recycling Ordinance in October 2005 has improved but not resolved the problem with illegal haulers.

**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.

**Response to Recommendation R-6:**
The recommendation requires further analysis. Currently and in the past, the City and its waste hauler, Waste Management of Orange County, have pursued illegal haulers through phone calls and letters explaining that Mission Viejo has an exclusive franchise solid waste agreement and requesting the illegal hauler to cease solid waste service in Mission Viejo. On a few occasions, these letters have been sent by the hauler’s attorney and the City’s attorney. The recommendation of an unauthorized waste bin ordinance will be discussed at a future City Council meeting, and progress will be reported on this issue by November 15, 2007.

Sincerely,

[Signature]

Gail Reavis
Mayor

c: City Council
   City-Manager
   Orange County Grand Jury