Christina L. Shea, Mayor

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November 24, 2020

Orange County Grand Jury
Honorable Kirk Nakamura
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

Subject: City of Irvine Response to Grand Jury Request on Solid Waste and Recycling

Dear Judge Nakamura:

Earlier this year, the Orange County Grand Jury (Grand Jury) interviewed staff to gather information about the City of Irvine's waste and recycling program. The Grand Jury requested the City of Irvine provide comments on the findings and recommendations in the report. Responses are provided below for your consideration.

If you have any questions, please contact Mark Steuer, Director of Public Works and Transportation at 949-724-7509 or at msteuer@cityofirvine.org.

Sincerely,

Christina L. Shea
Mayor

Attachment: City of Irvine response to Grand Jury request.

City of Irvine Responses to Grand Jury Findings and Recommendations

The Grand Jury requested responses to Findings 1 through 3, and to Recommendations 1 and 2 noted in its report entitled, "OC Recycling: Doing it the Right Way." The City's responses are below:

Finding 1: In nine of the ten cities investigated, the waste hauler has been the sole source provider to their respective city(s) anywhere from 39 to 72 years. Where there is an opportunity for service providers to compete, there is an opportunity for competitive bidding, which may result in improvements in cost and performance.

Response: The City of Irvine agrees with Finding 1. The City of Irvine has always considered a competitive bid process as an option when reviewing solid waste agreements. During the most recent franchise agreement approval with Waste Management in 2016, primarily because the City would continue to receive the "most favored nations" rates, a policy decision was made to continue with the current hauler. Through this "most favored nations" provision, resulting in the lowest rates for Irvine ratepayers for waste services over the term of the agreement, the City has built in price competition with other cities and haulers to the cost benefit of the Irvine public.

While the City of Irvine has an exclusive hauler agreement for residential collection services and a certain portion of commercial collection services with Waste Management, the City also holds non-exclusive hauler agreements with over 20 solid waste hauling companies to provide commercial and temporary collection services in the non-exclusive zones of the City. This system provides stability to the residential customers, while providing a competitive environment in the commercial sector which allows businesses to benefit from niche recycling programs, and competitive pricing.

Finding 2: The labeling on residential bins are not always legible or have comprehensive enough instructions laminated or otherwise made a part of the lid, especially with regards to single use plastic shopping bags. Education and outreach efforts need to be reinforced as often as possible and a visual reminder on the recycle container will help alleviate confusion.

Response: The City of Irvine agrees with Finding 2. The City is committed to working with its waste hauler to improve instructions to residents including effective bin labeling. Under the franchise agreement, plastic bags are not on the list of acceptable recyclable materials. The City of Irvine and its waste hauler have robust public education and outreach programs, and will make further efforts to direct its hauler to clearly explain and instruct its customers regarding proper plastic bag handling. Additionally, the exclusive residential hauler has an annual budget allocated to public education and outreach which is monitored by the City and can include messaging to address this issue.

Finding 3: Orange County Waste and Recycling as well as the waste haulers provide helpful recycling education to the public where contractually required to do so. It is the Grand Jury's view that most cities delegate much of the customers/public education

efforts to the waste haulers. Contracts indicate both parties are responsible for educating the public.

Response: The City of Irvine agrees with Finding 3. However, while the City of Irvine does obligate its hauler to help fund and implement recycling education as noted in the response to Finding 2, the City does conduct its share of recycling education independently through various means including City website, social media, video, print material, and in-person staffing at its Environmental Education booth at community events. The City is also pursuing efforts to heighten its outreach efforts and effectiveness to ensure environmental public education and informational resources are reaching the Irvine community.

Recommendation 1: All cities and county entities that do not have a contract review process in place should establish one to ensure regular reviews of service contracts are performed and that contract terms are still relevant as legislative changes are enacted. Serious consideration should be given to shortening the length of contracts to facilitate opportunities for competitive bidding where feasible. (F1)

Response: This recommendation has been implemented. The City retains a highly-qualified consultant that specializes in solid waste contract review and analysis to help oversee performance on both the exclusive and non-exclusive solid waste agreements, and advise the City regarding new legislative developments and impacts on franchise agreements and services.

Recommendation 2: Municipalities should ensure that recycle bins be labeled with comprehensive recycling instructions to facilitate proper sorting of waste (F2 and (F3).

Response: This recommendation has not been implemented, but will be implemented in the future. The City of Irvine is committed to working with its waste hauler over the next calendar quarter to improve bin labeling as necessary. All recycling bins in the City will be clearly labeled, and replaced when necessary.