



Highlights

Highlights of OCA 15-003

Why OCA Did This Study

Recycling and waste diversion are an important part of the City's long-range financial and environmental goals. In accordance with the City Auditor's FY 2014 Work Plan, we conducted a performance audit of the Environmental Services Department's recycling programs administered by the Collection Services and Waste Reduction and Disposal divisions. Our audit objectives were to evaluate: (1) whether enforcement of the Citywide Recycling Ordinance (CRO) is conducted efficiently and effectively; (2) whether the City's current non-exclusive solid waste franchise system is the best system to encourage recycling, maximize efficiency, and minimize adverse impacts of waste hauling; and (3) the extent to which City departments are complying with CRO requirements.

What OCA Recommends

OCA made [12 recommendations](#) that will increase recycling rates and extend the life of Miramar Landfill, including:

- Require franchised haulers, who collect trash and recycling from commercial and multi-family properties, to achieve minimum recycling rates of 50 to 60 percent by 2020;
- Study a districted exclusive franchise system as an option to maximize system efficiency and minimize adverse impacts caused by commercial and multi-family waste hauling, and present the results to the City Council for consideration;
- Systematize CRO enforcement efforts for City-serviced residential properties and consistently issue Notices of Violation when a customer is not meeting recycling requirements;
- Expand the issuance of fines to improve CRO compliance and recover excessive enforcement costs; and
- Monitor and report on City departments' compliance with CRO requirements and make CRO compliance a condition of future City leases.

For more information, contact Eduardo Luna at (619)533-3165 or cityauditor@sandiego.gov

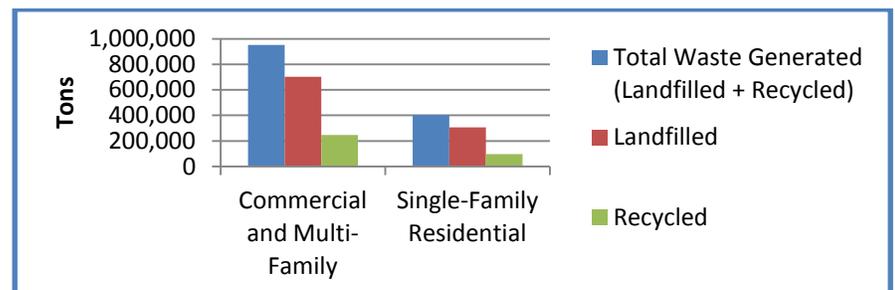
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Waste Reduction and Recycling

Opportunities Exist to Improve Recycling Rates and Reduce Adverse Impacts of Waste Hauling

What OCA Found

While the Environmental Services Department (ESD) has successfully implemented many innovative programs that have helped increase the City's overall diversion rate to 68 percent, we found that many businesses and residents are not meeting minimum requirements of the Citywide Recycling Ordinance (CRO), which was approved unanimously by the City Council in 2007. As a result, the recycling rate for commercial and multi-family properties receiving service from one of the City's 21 franchised waste haulers is only 26 percent, and the recycling rate for single-family residential properties receiving City collection services is only 23 percent.



Improving compliance with recycling requirements is essential to meet [the City's waste reduction goals](#) and prolong the life of the only City-operated waste disposal site, Miramar Landfill, which is currently anticipated to close in 2025. Once Miramar Landfill closes, the City, its residents, and businesses are expected to pay significantly higher costs for landfill disposal elsewhere. The vast majority of the City's landfilled waste is recoverable, which indicates that there is significant room for improvement in commercial, multi-family, and single-family recycling rates.

Currently, the City's agreements with 21 franchised haulers – private companies which collect trash and recycling from commercial and multi-family properties – [do not require haulers to achieve minimum diversion rates](#). As a result, haulers have little incentive to ensure customers are recycling. In addition, the City's [non-exclusive franchise system](#), which allows all haulers to operate throughout the City, does not maximize efficiency and may not provide the best incentives for recycling. Other jurisdictions have found that a districted exclusive system - where each hauler operates in a defined area - improves cost-effectiveness and also minimizes the substantial impact that trash trucks have on City streets.

We also found that the efficiency and effectiveness of the [City's CRO enforcement for City-serviced residential properties](#) are limited because inspections are conducted randomly instead of systematically; violation notices are not consistently issued to residents who are not complying with the CRO; and the City has not exercised its ability to issue fines to customers who repeatedly violate CRO requirements.

Finally, we found that while some City facilities, such as certain parks and beaches, may meet criteria to be exempt from CRO requirements, opportunities exist to set a good example for residents and businesses by [improving recycling at other City facilities](#), such as libraries, rec centers, and office buildings.