

**TITLE 54
LEGISLATIVE RULE
SOLID WASTE MANAGEMENT BOARD**

**SERIES 6
PERFORMANCE MEASURES AND REVIEW STANDARDS FOR SOLID WASTE
AUTHORITIES OPERATING COMMERCIAL SOLID WASTE FACILITIES**

§54-6-1. General.

1.1. Scope. -- This legislative rule establishes a system for performance reviews and measures to be conducted by the West Virginia Solid Waste Management Board. The Board shall conduct a biennial performance review of a county and regional solid waste authority that operates a commercial solid waste facility to gauge the productivity and operational health of the authority. The Board shall also conduct a biennial performance review of each commercial solid waste facility operated by a county or regional solid waste authority to promote accountability, support effective and efficient facility operations and identify serious impairments of the facility.

1.2. Authority. -- W. Va. Code §§22C-3-26, 22C-4-9a(d), and 22C-4-9a(g).

1.3. Filing Date. -- April 10, 2008.

1.4. Effective Date. -- July 1, 2008.

1.5. Incorporation by Reference.

§54-6-2. Definitions.

2.1. All terms used herein shall, unless the context indicates otherwise, have the meanings ascribed to them as set forth below.

2.1.a. "Act" means W. Va. Code §22C-4-1 et seq.

2.1.b. "Audit" means a systematic examination and collection of sufficient, competent evidential matter needed for an auditor to attest to the fairness of management's assertions in the financial statements, and to evaluate whether management has sufficiently and effectively carried out its responsibilities and complied with applicable laws and

regulations. An audit shall be conducted in accordance with generally accepted auditing standards, standards issued by the WV State Auditor's chief inspector division, and, as applicable, the single audit requirement of OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations.

2.1.c. "Benchmark" means a reference point to evaluate and determine the effective and efficient performance of a solid waste authority and its commercial solid waste facility and to assist in the identification of any impairments.

2.1.d. "Board" means the West Virginia Solid Waste Management Board, as established by W. Va. Code §22C-3-4.

2.1.e. "Commercial Solid Waste Facility" means any solid waste facility which accepts solid waste generated by sources other than the owner or operator of the facility and does not include an approved solid waste facility owned and operated by a person for the sole purpose of the disposal, processing or composting of solid wastes created by that person or such person and other persons on a cost-sharing or nonprofit basis, and does not include land upon which reused or recycled materials are legitimately applied for structural fill, road base, mine reclamation, and similar applications.

2.1.f. "Director" means the appointed executive director of the West Virginia Solid Waste Management Board.

2.1.g. "Examination" includes an audit or review as defined in W. Va. Code §6-9-1a.

2.1.h. "Financial audit" includes financial statement audits and financial related audits, as defined by government auditing standards and conducted by the WV State

Auditor's office or designee.

2.1.i. "Improvement Consultants" means a team of experienced professionals in the field of solid waste management, appointed by the director, to conduct on-site reviews and make strategic recommendations toward remedy of serious impairments at a commercial solid waste facility operated by a county or regional solid waste authority.

2.1.j. "Impairment" means any operational, financial, managerial or any other practice(s) which diminishes the current or future efficient and effective operation of a solid waste authority or its commercial solid waste facility.

2.1.k. "Internal Controls" are procedures and devices that serve to monitor routines, in an effort to eliminate error or impropriety.

2.1.l. "Performance Measure" means outcomes and outputs. "Outcomes" represent effects or results of programs. "Outputs" represent the units of services or activities produced.

2.1.m. "Performance Review" means an accountability system which establishes benchmarks to evaluate and determine the effective and efficient performance of a county or regional solid waste authority operating a commercial solid waste facility.

2.1.n. "Program" means solid waste disposal, recycling, composting, reduction, transferring or other solid waste management practices or any combination thereof.

2.1.o. "Review" means an inquiry or analytical procedure that provides the auditor with a reasonable basis for expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles or, if applicable, with another comprehensive basis of accounting and conducted by the WV State Auditor's office or designee.

2.1.p. "Seriously Impaired" means any operational, financial, managerial or other practice(s) which adversely affects the current or future efficient and effective operation of a solid waste authority or its commercial solid waste facility.

2.1.q. "Solid Waste Authority" means a county or regional governmental agency as defined in W. Va. Code §22C-3-3, and also as created and established by W. Va. Code §§22C-4-3 and 22C-4-4.

2.1.r. "Supersedure" means the temporary intervention by the West Virginia Solid Waste Management Board to exercise in part or whole, the powers granted to only county or regional solid waste authorities that operate solid waste facilities as provided in chapters seven, twenty two, twenty two-c and twenty-four of the W. Va. Code, and as provided in W. Va. Code §22C-3-26.

2.1.s. "Uniform Chart of Accounts" means delineating common revenue and expense account naming conventions to be used by all solid waste authorities as provided in §22C-4-9a(i).

§54-6-3. Performance Measures for Accountability.

3.1. Written quarterly reports shall be submitted to the Board by a solid waste authority operating a commercial solid waste facility on forms provided by the Board. The performance measurement report shall include, but is not limited to, accurate information in the areas of regulatory and statutory compliance, financial records, business operations management, number of full and part-time employees, job titles, program outcomes and outputs. A solid waste authority shall provide the performance measurement data, based on a calendar year's quarter, by the last day of the month following each quarter. Data shall be submitted more frequently if required by the Board. The last quarterly report of each calendar year shall also include a copy of the solid waste facility's annual operating report required by 33 CSR 1-4.12.g.

§54-6-4. Performance Review.

4.1. A performance review by the Board shall be conducted at least once every two years of each county and regional solid waste authority that operates a commercial solid waste facility. The review shall benchmark both the performance of the county or regional solid waste authority and its commercial solid waste facility. Provided that the performance review shall not duplicate areas of environmental regulatory oversight performed by the Department of Environmental Protection

4.1.a. Notification - The director will send a standard letter notifying the county or regional solid waste authority of the upcoming performance review. The letter should include:

4.1.a.1. Statutory and regulatory authority for conducting the review;

4.1.a.2. A request to hold an entrance conference;

4.1.a.3. Identification of assigned Board staff; and

4.1.a.4. A request for advanced information such as an organizational chart, bylaws, policies and procedures, annual operations report, budgetary documents, minutes of solid waste authority board meetings, etc.

4.1.b. Criteria to Evaluate - The Board's performance review shall, at a minimum, evaluate the following criteria of the county or regional solid waste authority:

4.1.b.1. Agency appointments to board of directors, vacancies and attendance record of board members;

4.1.b.2. Review of all business operations including but not limited to, financial and administrative functions, loans, notes or lines of credit, contracts, agreements and procurement practice, pending or potential litigation involving more than five thousand dollars (\$5,000);

4.1.b.3. Review or recommend solid waste management training and education

for the solid waste authority's board and staff members;

4.1.b.4. Solid waste authority's general status of compliance with W. Va. Code, Chapter 22C, Article 4 (County and Regional Solid Waste Authorities Act);

4.1.b.5. Operation of composting activities and facilities, or operation of recycling activities and facilities, or operation of drop-off locations for solid waste and composting activity or facility, and

4.1.b.6. Other criteria as determined by the director for evaluation.

4.1.c. The Board's performance review shall also evaluate the effective and efficient operation of the county or regional solid waste authority's commercial solid waste facility including but not limited to recordkeeping, internal controls, equipment maintenance and procurement and overall safety program.

§54-6-5. Benchmarking.

5.1. In order to evaluate and determine performance of a solid waste authority and its commercial solid waste facility, benchmarks will be used in, but not limited to, the following areas:

5.1.a. Compliance with all applicable federal, state and local laws, codes, ordinances, rules and regulations.

5.1.b. Financial accountability including but not limited to examinations on financial records, loan payments, and debt leveraging.

5.1.c. General business procedures, safety and training programs.

§54-6-6. Performance Review Categories.

6.1. Each member of the solid waste authority's board of directors shall receive a copy of the final performance review, which shall identify any impairments that exist requiring corrective action by the solid waste authority. Based upon the final performance

review the solid waste authority and its commercial solid waste facility shall be placed in one of the following categories:

6.1.a. “Satisfactory,” when the Board determines that the solid waste authority’s performance and progress allows for a efficient and effective operation.

6.1.b. “Impaired,” when the Board determines that any operational, financial, managerial or other practice by the solid waste authority, diminishes the current or future efficient and effective operation of the authority’s commercial solid waste facility.

6.1.c. “Seriously Impaired,” when the Board determines that any operational, financial, managerial or other practice by the solid waste authority, has adversely affected the current or future efficient and effective operation of the solid waste authority’s commercial solid waste facility.

§54-6-7. Process for Correcting Impairments.

7.1. A solid waste authority placed in a category of impaired or seriously impaired shall correct the impairments within ninety (90) days after receiving the final performance review which begins the intervention process. Any impairment to be corrected shall not duplicate or conflict with regulatory oversight performed by the Department of Environmental Protection. Provided, That prior to correction the director may require the solid waste authority to employ an appropriate professional such as an engineer, accountant or planner to make strategic recommendations for remedy. Upon written request of the solid waste authority’s board, the Board may determine that extraordinary circumstances necessitate an extension of time to correct serious impairments. Provided, However, the Board or its director as part of the intervention process may at any time require but is not limited to the following:

7.1.a. Appoint a team of improvement consultants specific to the area of impairment(s) to conduct on-site reviews and make strategic recommendations toward remedy of serious impairments.

7.1.a.1. The team of improvement consultants may include representatives from the Board, solid waste authority, Department of Environmental Protection, Public Service Commission, State Auditor’s Office and if deemed necessary by the Board, representatives from the private sector.

7.1.a.2. Costs associated with representatives from the private sector to be the responsibility of the solid waste authority.

7.1.b. Require that the solid waste authority’s board prioritize and target its funds strategically toward alleviating the impairments.

7.1.c. Require the solid waste authority to prepare an annual fiscal budget, which must be submitted to the Board for approval.

7.1.d. Recommend to the agencies that appoint the members to the solid waste authority’s board of directors that one or more members of the solid waste authority’s board of directors be replaced.

7.1.e. The director or his or her designee, may preside as chair of the solid waste authority board meetings during intervention.

7.1.f. After receiving a final performance review or through regular monitoring of performance measures that identify impairments, a solid waste authority shall not be eligible to receive grant funds from the Board’s grant program in accordance with 54CSR5-4.5 or from the Department of Environmental Protection’s recycling grant program, in accordance with 58CSR5-10.7 until such impairments have been corrected. Provided, That the Board or the Department of Environmental Protection may, at their discretion, award grant funds if they determine that the specific purpose of such funds is to correct the impairments.

7.1.g. The director shall notify the solid waste authority in writing that the temporary intervention has ended only after a determination by the Board that impairments have been corrected.

§54-6-8. Supersedure over Solid Waste Authorities.

8.1. The Board may by resolution supersede and exercise, in part or whole, the powers granted to only county or regional solid waste authorities that operate commercial solid waste facilities as provided by W. Va Code §22C-3-26 which are impaired or seriously impaired, following the 90-day improvement period.

8.2. Actions of the Board supersede those powers granted to such solid waste authorities. Provided, That nothing in this rule relieves the solid waste authority of its legal duties, obligations or liabilities incident to the ownership or operation of its solid waste facility.