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HOUSE BILL NO. 1872

Offered January 14, 2009

Prefiled January 12, 2009

A BILL to amend the Code of Virginia by adding a section numbered 15.2-5102.1, relating to a refuse collection and disposal system authority in the Hampton Roads area.

Patron—Cosgrove

Referred to Committee on Counties, Cities and Towns

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 15.2-5102.1 as follows:**

§ 15.2-5102.1. Hampton Roads area refuse collection and disposal system authority.

Any authority, or any subsidiary thereof, organized pursuant to § 15.2-5102 to operate a refuse collection and disposal system that has among its members the Cities of Norfolk, Virginia Beach, Portsmouth, Chesapeake, and Franklin, and the Counties of Isle of Wight, Southampton, and Suffolk, shall comply with the following requirements:

1. Each locality that is a member of the authority shall be entitled to nominate individuals to fill one position on the Board of Directors by submitting a list of three potential directors, each of whom shall possess general business knowledge and shall not be an elected official, to the Governor. The Governor shall then select and appoint one director from each of the lists of nominees prepared by the member localities. The members of the Board shall be appointed for terms of four years each. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments. No member shall serve for more than two consecutive four-year terms, except that any member appointed to the unexpired term of another shall be eligible to serve two consecutive four-year terms.

2. The authority shall develop and maintain an overall strategic plan that shall cover a period of at least five years forward from the year in which it is submitted.

3. The authority's core purpose shall be defined as "management of the safe and environmentally sound disposal of regional waste." The authority shall devote its time and effort to activities associated with its core purpose. A vote of a minimum of 75 percent of the Board shall be required prior to undertaking any activities not associated with the authority's core purpose.

4. The authority shall develop and maintain a strategic operating plan identifying all elements of its core business units and core purpose, how each business and administrative unit will support the overall strategic plan and how the authority will achieve its stated mission and core purpose.

5. The fees of the authority shall be fixed and maintained at the level that will produce sufficient revenue to pay the cost of operation and administration of each program operated by the authority.

6. The authority shall maintain perpetual requests for proposal with respect to each of its programs. All proposals are due July 1 of each year. The authority shall annually evaluate these proposals in comparison to its cost of operation and shall consider outsourcing any or all functions that may result in reduced costs to the authority.

7. The authority shall evaluate its landfill capacity annually, taking into consideration and projecting future changes in the quantity of waste disposed of in its landfill, or landfills reasonably situated and/or contractually obligated to accept its waste.

8. The authority shall track costs, revenue, and capital expenses by fiscal year for each program. The authority shall also track costs by individual capital projects.

9. The authority shall maintain a detailed financing plan that shall include a plan for the retirement of all debt and a plan for the funding of all planned capital projects. The plan for the funding of all planned capital projects shall specify the amount of debt the authority will issue in furtherance of the projects and the debt repayment plan for any new debt created by the capital projects, including the revenue source that will be used to repay the debt. The detailed financing plan shall be updated annually by the authority and reviewed and certified annually by a certified public accountant.

10. Prior to issuance of new debt, the Board shall perform a due diligence investigation of the appropriateness of issuing the debt, including an analysis of the costs of repaying the debt. Such analysis must be certified by an independent accounting firm, reviewed by the Board, and approved by a vote of a minimum of 75 percent of the Board. The issuance of new debt shall require a vote of a minimum of 75 percent of the Board of Directors of the authority. The authority shall not issue debt to fund operational expenses.

11. At such time as the authority has sold all of its assets, concluded all management obligations

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HB1872

59 *and retired all of its debts, it shall be considered terminated without right of unilateral reinstatement*
60 *provided 75 percent of the Board has so voted. Upon such vote, this section shall be considered void*
61 *and rescinded.*