

Rate Setting Criteria

Adapted from Resolution #93-1824A

1. Consistency: Solid waste rate setting should be consistent with Metro's agency-wide planning policies and objectives, including but not limited to the Solid Waste Management Plan.
2. Revenue Adequacy and Reliability: Rates should be sufficient to generate revenues that fund the costs of the solid waste system.
3. Equity: Charges to users of the waste management system should be directly related to services received. Charges to residents of the Metro service district who may not be direct users of the disposal system should be related to other benefits received.
4. Waste Reduction: The rate structure should encourage waste reduction, reuse, and recycling.
5. Affordability: Rate setting should consider the customers' ability to pay, e.g., the cost of living for residential customers and the cost of doing business for commercial customers.
6. Implementation and Administration: Rate setting should balance the relative cost and effort of implementing and administering the rates with financial and policy goals. Rates should be enforceable.
7. Credit Rating Impacts: The rate structure should not negatively impact Metro's credit rating.
8. Authority to Implement: Metro should ensure that it has the legal ability to implement the rate structure; or, if such authority is not already held, evaluate the relative difficulty of obtaining the authority.
9. Predictability: Metro rate adjustments should be predictable and orderly to allow local governments, haulers, and rate payers to perform effective planning.