



City Council Agenda

Mayor
Sean VanGordon

City Council
Michelle Webber, Ward 1
Steve Moe, Ward 2
Kori Rodley, Ward 3
Beth Blackwell, Ward 4
Victoria Doyle, Ward 5
Joe Pishioneri, Ward 6

City Manager:
Nancy Newton
City Recorder:
Allyson Pulido 541.726.3700

City Hall
225 Fifth Street
Springfield, Oregon 97477
541.726.3700
Online at www.springfield-or.gov

These meetings will be available via phone, internet using Zoom and in person. Members of the public wishing to attend these meetings electronically can call in or attend virtually by following the directions below. This information can also be found on the City's website

The meeting location is wheelchair-accessible. For the hearing-impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. For meetings in the Council Meeting Room, a "Personal PA Receiver" for the hearing impaired is available, as well as an Induction Loop for the benefit of hearing aid users.

To arrange for these services, call 541.726.3700.

Meetings will end prior to 10:00 p.m. unless extended by a vote of the Council.

All proceedings before the City Council are recorded.

7:00 p.m. Regular Meeting
Council Meeting Room

or

Virtual Attendance

Registration Required:

Attend from your computer, tablet or smartphone:

Zoom

Meeting ID: 869 64248 4942

https://us06web.zoom.us/webinar/register/WN_Ngt7b8k1TimifT5tQKRQvw

To dial in using your phone in Listen Only Mode:

Dial 1 (971) 247-1195

Toll Free 1 (877) 853-5247

Oregon Relay/TTY: 711 or 800-735-1232

CALL TO ORDER

ROLL CALL – Mayor VanGordon ____, Councilors Webber ____, Moe ____, Rodley ____, Blackwell ____, Doyle ____, and Pishioneri ____.

PLEDGE OF ALLEGIANCE

SPRINGFIELD UPBEAT

1. Mayor's Recognition

- a. Earth Day Art Competition
[Thomas Gray] (10 Minutes)
- b. Bike Month Proclamation
[Drew Larson] (5 Minutes)
- c. Building Safety Month Proclamation
[Loralyn Spiro and Michelle Van Grieken] (5 Minutes)

CONSENT CALENDAR

- 1. Claims
- 2. Minutes
- 3. Resolutions
- 4. Ordinances
 - a. Planning Commission Municipal Code Amendments
- 5. Other Routine Matters
 - a. Bicycle & Pedestrian Advisory Committee Appointments
 - b. Arts Commission Applicant Appointment
 - c. Springfield Police Advisory Committee Appointment
 - d. Budget Committee Applicant Appointment
 - e. Liquor License Application for a New Outlet for Hope Nguyen, DBA: Pro Nail Salon
 - f. Ratification of Amendment to the Downtown Urban Renewal Plan for Real Property Acquisition.

MOTION: APPROVE/REJECT THE CONSENT CALENDAR

ITEMS REMOVED FROM THE CONSENT CALENDAR

PUBLIC HEARINGS - **Please limit comments to 3 minutes. Request to speak cards are available at the entrance. Please present cards to City Recorder. Speakers may not yield their time to others.**

- 1. Wastewater and Stormwater User Fees FY 2024-25
[Matt Stouder] (10 Minutes)

RESOLUTION NO. 1: A RESOLUTION OF THE CITY OF SPRINGFIELD SETTING LOCAL AND REGIONAL WASTEWATER (SEWER) USER FEES AND LOCAL STORMWATER (DRAINAGE) USER FEES AS SET FORTH IN THE SPRINGFIELD MUNICIPAL CODE.

MOTION: ADOPT/NOT ADOPT RESOLUTION NO. 1

BUSINESS FROM THE AUDIENCE - Limited to 20 minutes. Please limit comments to 3 minutes. Request to Speak cards are available at the entrance. Please present cards to City Recorder. Speakers may not yield their time to others.

COUNCIL RESPONSE

CORRESPONDENCE AND PETITIONS

BIDS

ORDINANCES

BUSINESS FROM THE CITY COUNCIL

1. Committee Appointments
2. Business from Council
 - a. Committee Reports
 - b. Other Business

BUSINESS FROM THE CITY MANAGER

1. Housing Diversity Tax Exemption
[Katie Carroll] (5 Minutes)

ORDINANCE NO. 1: AN ORDINANCE ADOPTING SPRINGFIELD MUNICIPAL CODE SECTIONS 3.550 THROUGH 3.558 TO ENACT A PROPERTY TAX EXEMPTION FOR MULTIPLE-UNIT HOUSING TO INCREASE HOUSING DIVERSITY, ADOPTING A SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE

MOTION: ADOPT/NOT ADOPT ORDINANCE NO. 1

RESOLUTION NO. 2: A RESOLUTION ADOPTING PROGRAM GUIDELINES FOR THE HOUSING DIVERSITY TAX EXEMPTION TO IMPLEMENT SPRINGFIELD MUNICIPAL CODE SECTIONS 3.550 THROUGH 3.558

MOTION: ADOPT/NOT ADOPT RESOLUTION NO. 2

2. Ratification of the Metropolitan Wastewater Management Commission (MWMC) FY 2024-25 Regional Wastewater Program Budget and Capital Improvement Program (CIP)
[Matt Stouder] (10 Minutes)

MOTION: ADOPT/NOT ADOPT A MOTION RATIFYING THE FY2024-25 REGIONAL WASTEWATER PROGRAM BUDGET AND CAPITAL IMPROVEMENT PROGRAM (CIP)

3. Fiscal Year 2025 Community Development Block Grant (CDBG) Annual Action Plan
[Erin Fifield] (5 Minutes)
-

MOTION: APPROVE/NOT APPROVE THE FISCAL YEAR 2025 COMMUNITY DEVELOPMENT BLOCK GRANT ANNUAL ACTION PLAN, WITH PROPOSED FUNDING ADJUSTMENTS IF THE FINAL ALLOCATION CHANGES, AND AUTHORIZE THE CITY MANAGER TO EXECUTE ALL DOCUMENTS NEEDED TO GIVE EFFECT TO THE CITY'S AGREEMENT WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THESE FUNDS.

4. Acceptance of Project P21151 Centennial Blvd Overlay (Aspen-Prescott)
[Kristi Krueger] (5 Minutes)
-

RESOLUTION NO. 3: A RESOLUTION TO ACCEPT CITY BOND PROJECT P21151, CENTENNIAL BLVD OVERLAY (ASPEN-PRESCOTT)

MOTION: ADOPT/NOT ADOPT A RESOLUTION TO ACCEPT CITY BOND PROJECT P21151, CENTENNIAL BLVD OVERLAY (ASPEN-PRESCOTT)

5. Other Business

BUSINESS FROM THE CITY ATTORNEY

1. Planning Commission Municipal Code Amendments
[Kristina Kraaz and Sandy Belson] (5 Minutes)
-

ORDINANCE NO. 2: AMENDING SPRINGFIELD MUNICIPAL CODE SECTIONS 2.402 THROUGH 2.424 RELATED TO CITY PLANNING COMMISSION AND ADOPTING A SEVERABILITY CLAUSE

MOTION: ADOPT/NOT ADOPT ORDINANCE NO. 2

ADJOURNMENT

AGENDA ITEM SUMMARY**SPRINGFIELD
CITY COUNCIL****Meeting Date:** 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Thomas Gray/DPW
Staff Phone No: 541-726-3684
Estimated Time: 5 Minutes
Council Goals: Promote and Enhance our Hometown Feel while Focusing on Livability and Environmental Quality

ITEM TITLE: SPRINGFIELD UPBEAT: EARTH DAY ART COMPETITION

ACTION REQUESTED: To recognize the winning Springfield Public School students in the Environmental Services Division's annual Earth Day Art Competition.

ISSUE STATEMENT: At the May 6, 2024 City Council meeting, Mayor Sean VanGordon will recognize winning students of the 2024 Earth Day Art Competition.

This year, more than 120 fourth grade students from the Springfield Public School District 19 participated in the City's 2024 Earth Day contest by submitting poster drawings to the competition. This year's design theme was "Our Water, Our Future". City staff voted for the top 20 submissions, and the top six submissions were submitted to Mayor VanGordon for the final round of judging (due to a three-way tie for fourth place). Mayor VanGordon personally determined first through fifth place for the winning art. All of the top 20 pieces are on display in the Youth Gallery in Springfield City Hall until May 17th.

We're very excited to honor the talented students who won this year and who will be recognized before Council. The winning students are:

6th place – Daniela
5th place – Charlie
4th place – Molina
3rd place – Ali
2nd place – Camille
1st place – Maya

ATTACHMENTS: [1. Winning Art PowerPoint Presentation](#)

**DISCUSSION/
FINANCIAL
IMPACT:** N/A

Springfield Upbeat: Earth Day Art Competition

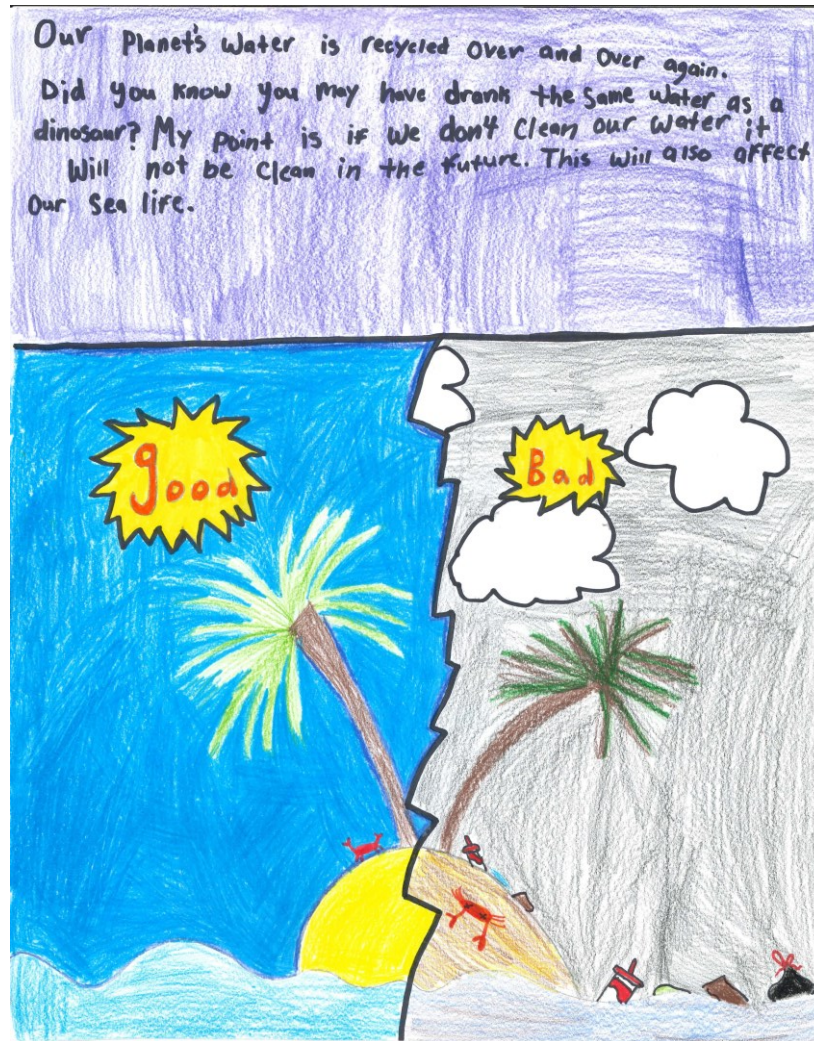
Top 20 Displayed in City Hall



Sixth Place: Daniela Ramos Alonso



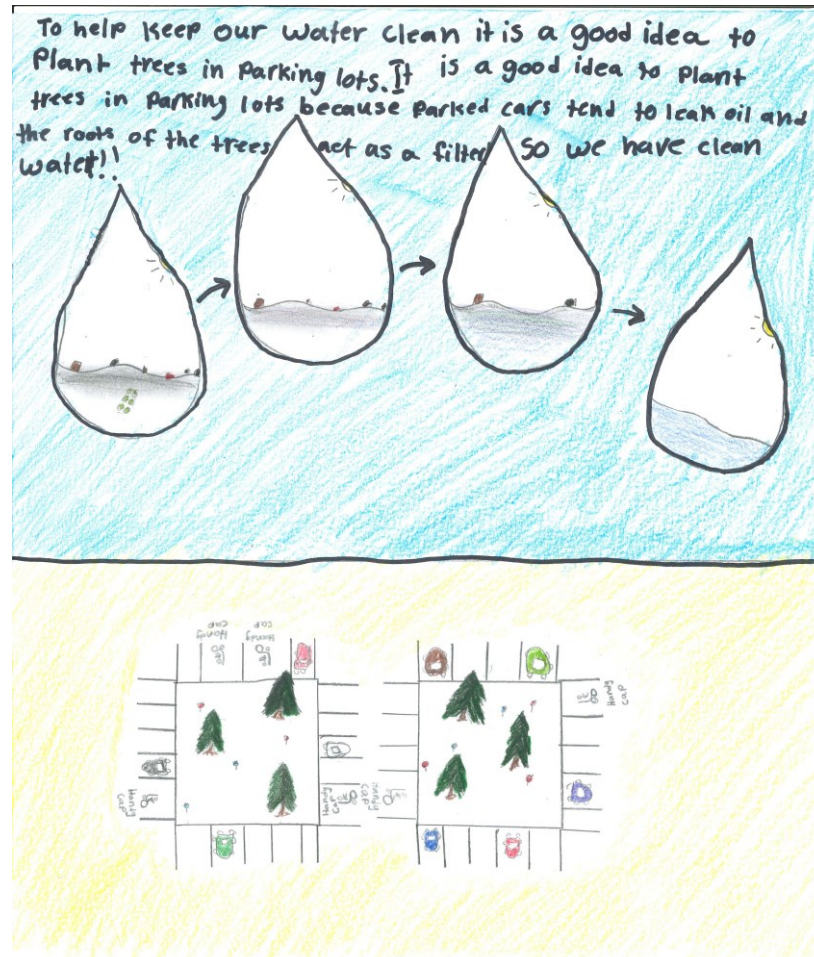
Fifth Place: Charlie



Fourth Place: Molina Osgood



Third Place: Ali



Second Place: Camille



First Place: Maya Brandt

Protect our
Water and you
protect our future.



Springfield Upbeat: Earth Day Art Competition

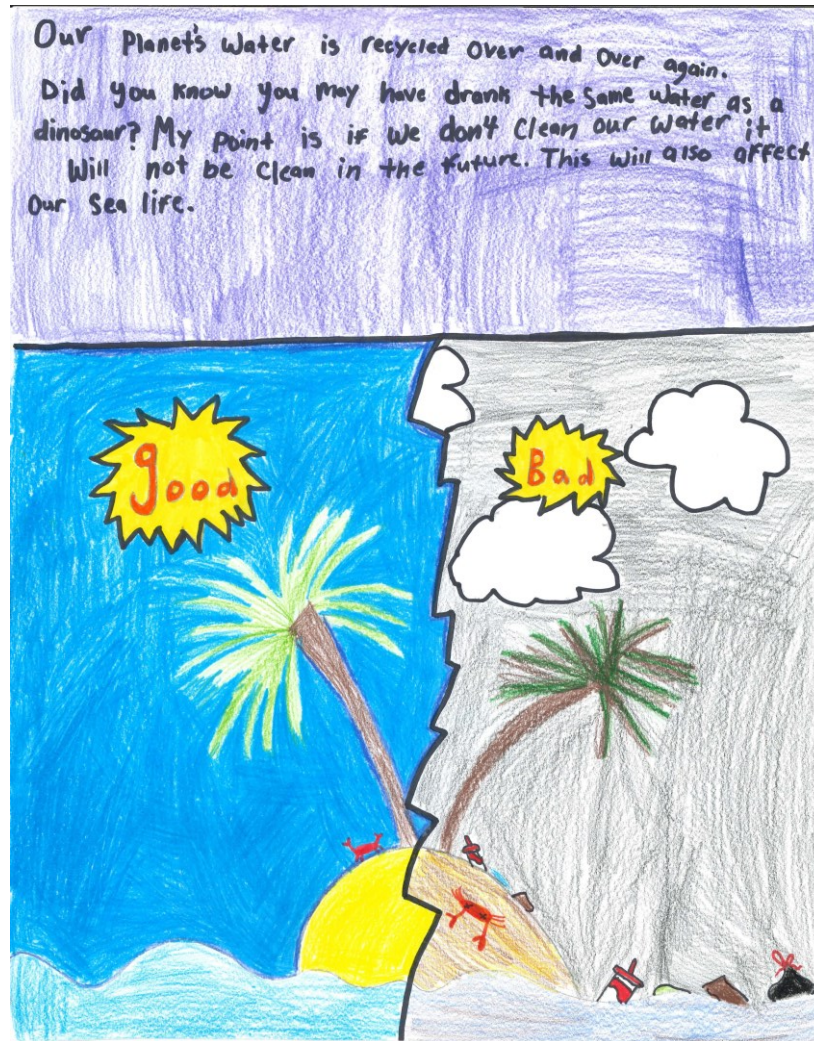
Top 20 Displayed in City Hall



Sixth Place: Daniela Ramos Alonso



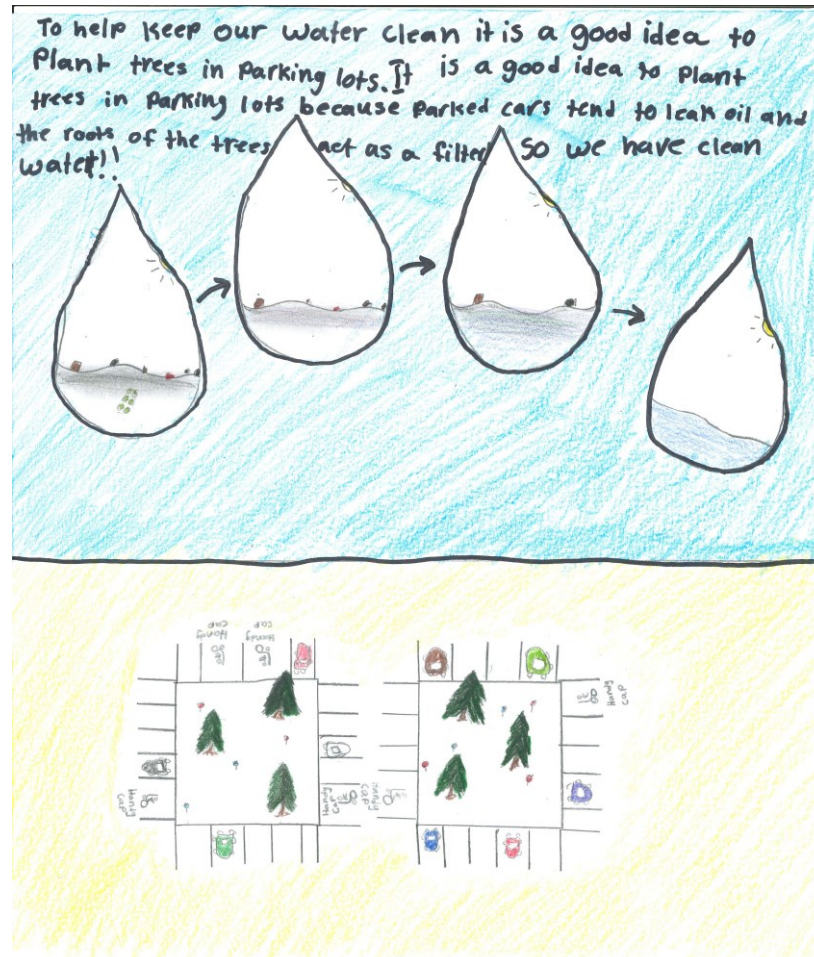
Fifth Place: Charlie



Fourth Place: Molina Osgood



Third Place: Ali



Second Place: Camille



First Place: Maya Brandt

Protect our
Water and you
protect our future.



May is Bike Month Proclamation

WHEREAS: the bicycle is an economical, healthy, and convenient form of transportation and an excellent tool for enjoyment of Springfield's scenic beauty; and

WHEREAS: throughout the month of May Springfield residents can experience the joy of biking and support the local economy by biking to nearby shopping and dining; and

WHEREAS: bicycle industry sales and bicycle tourism contribute at least \$440 million and \$400 million respectively to Oregon's economy annually and generate over 7,000 jobs; and

WHEREAS: with the money saved from lower travel costs, people who ride bikes have more money to spend at local businesses to help grow our local economy; and

WHEREAS: creating a bicycling-friendly community has been shown to improve citizens' health, well-being, and quality of life, grow the economy, improve traffic safety, support student learning outcomes, and reduce pollution, congestion, and wear and tear on our streets; and

WHEREAS: the City of Springfield and Springfield Safe Routes to School are promoting greater public awareness of bicycle operation and safety in an effort to improve health and safety for everyone on our streets;

NOW, THEREFORE, I, Sean VanGordon, Mayor of the City of Springfield, do hereby proclaim May 2023 is Bike Month in Springfield, Oregon and I challenge Springfield residents to get out and ride on our regional paths or visit a local business by bike during the month of May.



A handwritten signature in black ink, appearing to read "Sean VanGordon".

Sean VanGordon
Mayor

Building Safety Month Proclamation

May 1-31, 2024

WHEREAS, the City of Springfield is committed to recognizing that our growth and strength depends on the safety and essential role our homes, buildings, and infrastructure play, both in everyday life and when disasters strike, and;

WHEREAS, our confidence in the resilience of these buildings that make up our community is achieved through the devotion of vigilant guardians--building safety and fire prevention officials, architects, engineers, builders, tradespeople, design professionals, laborers, plumbers, and others in the construction industry--who work year-round to ensure the safe construction of buildings, and;

WHEREAS, these guardians are dedicated members of the International Code Council, a nonprofit that brings together local, state, territorial, tribal, and federal officials who are experts in the built environment to create and implement the highest-quality codes to protect us in the buildings where we live, learn, work and play, and;

WHEREAS, these modern building codes include safeguards to protect the public from hazards such as hurricanes, snowstorms, tornadoes, wildland fires, floods, and earthquakes, and;

WHEREAS, Building Safety Month is sponsored by the International Code Council to remind the public about the critical role of our communities' largely unknown protectors of public safety--our local code officials--who assure us of safe, sustainable, and affordable buildings that are essential to our prosperity, and;

WHEREAS, "Mission Possible," the theme for Building Safety Month 2024, encourages us all to raise awareness about building safety on a personal, local, and global scale, and;

WHEREAS, each year, in observance of Building Safety Month, people all over the world are asked to consider the commitment to improve building safety, resilience and economic investment at home and in the community, and to acknowledge the essential service provided to all of us by local and state building departments, fire prevention bureaus and federal agencies in protecting lives and property.

NOW THEREFORE, I, Sean VanGordon, Mayor of Springfield, Oregon, do hereby proclaim the month of May 2024 as Building Safety Month in Springfield. Accordingly, I encourage our community members to join us as we participate in Building Safety Month activities.



A handwritten signature in black ink that reads "Sean VanGordon".

Sean VanGordon
Mayor

AGENDA ITEM SUMMARY**SPRINGFIELD
CITY COUNCIL****Meeting Date:** 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Kristina Kraaz, CAO
Sandy Belson, DPW
Staff Phone No: 541-744-4061
Estimated Time: Consent Calendar
Council Goals: Encourage Economic
Development and
Revitalization through
Community Partnerships

ITEM TITLE: PLANNING COMMISSION MUNICIPAL CODE AMENDMENTS

**ACTION
REQUESTED:** Conduct a second reading and adopt/not adopt the following ordinance:
AMENDING SPRINGFIELD MUNICIPAL CODE SECTIONS 2.402 THROUGH
2.424 RELATED TO CITY PLANNING COMMISSION AND ADOPTING A
SEVERABILITY CLAUSE

**ISSUE
STATEMENT:** The Municipal Code section pertaining to the Planning Commission has provisions
that are out of date. The proposed ordinance would update the Code to incorporate
current Council practices and terminology. It would also require that any
Commissioners who don't live in the City of Springfield have a primary residence
within the Springfield urban growth boundary.

ATTACHMENTS: [1 – Proposed Ordinance](#)
[Exhibit A – Legislative Municipal Code Amendments](#)

**DISCUSSION/
FINANCIAL
IMPACT:** A first reading of the proposed ordinance was held on April 15, 2024. There is no
financial impact to any of the proposed code amendments. The proposed
amendments would:

1 – Continue to require at least five Commissioners to live within the city limits,
but require any non-resident Commissioners to have their primary residence within
the Springfield urban growth boundary.

2 – In accordance with Council's current operating policies and procedures, require
that Council declare an office of an appointed Commission member to be vacant.

3 – Update the name of the relevant department from Development Services to
Development and Public Works.

4 – In accordance with Council's current operating policies and procedures, no
longer require a monthly meeting summary of Planning Commission activities.

5 – Update the reference in the Springfield Development Code for public hearings.

6 – Include reference to the Springfield Comprehensive Plan in addition to the
Eugene-Springfield Metropolitan Area General Plan.

CITY OF SPRINGFIELD, OREGON
ORDINANCE NO. _____ (GENERAL)

**AMENDING SPRINGFIELD MUNICIPAL CODE SECTIONS 2.402 THROUGH 2.424 RELATED
TO CITY PLANNING COMMISSION AND ADOPTING A SEVERABILITY CLAUSE**

WHEREAS, Oregon Revised Statute (ORS) 227.020 grants the authority for a city to create a planning commission and provide for its organization and operations;

WHEREAS, the Planning Commission was established by the Springfield City Council, codified in Springfield Municipal Code Sections 2.402-2.424 and serves at the will of the Council;

WHEREAS, ORS 227.030 establishes membership requirements but cities have the authority to establish additional requirements;

WHEREAS, the City Council finds that the community would be best represented if all members of the Planning Commission who are not residents of the City of Springfield are required to live within Springfield's urban growth boundary;

WHEREAS, per the currently-effective City Council Operating Policies and Procedures, the Council declares a position vacant and Council no longer expects a monthly meeting summary of Planning Commission activities;

WHEREAS, the former Development Services Department is now a part of the Development and Public Works Department;

WHEREAS, there have been a number of amendments to the Springfield Development Code over the years, such that public hearings are now referenced in Section 5.2.100 rather than in Article 14; and

WHEREAS, the City has adopted the Springfield Comprehensive Plan as the Springfield-specific comprehensive plan and no longer relies exclusively on the Eugene-Springfield Metropolitan Area General Plan as the sole comprehensive plan for the City of Springfield;

NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD ORDAINS AS FOLLOWS:

Section 1. Sections 2.402 through 2.424 of the Springfield Municipal Code are amended as provided in Exhibit A, attached hereto and incorporated by reference.

Section 2. Severability Clause. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion hereof.

ADOPTED by the Common Council of the City of Springfield this _____ day of May, 2024, by a vote of _____ for and _____ against.

APPROVED by the Mayor of the City of Springfield this _____ day of May, 2024.

Mayor

ATTEST:

Acting City Recorder

Exhibit A

Amendments to Springfield Municipal Code 2.402-2.424 City Planning Commission

2.402 Creation.

There is hereby created a Planning Commission for the city.

2.404 Membership.

(1) The Planning Commission shall consist of seven members, to be appointed by the Mayor and Council, two of whom may be non-residents of the city. Non-residents must have their primary residence within the Springfield urban growth boundary.

(2) No more than two appointed members shall be engaged principally in buying, selling or developing real estate for profit as individuals, or be members of any partnership, or officers or employees of any corporation that is engaged principally in buying, selling or developing of real estate for profit. No more than two voting members shall be engaged in the same kind of business, trade, profession or occupation.

2.406 Terms of Office.

Appointed members shall each hold office for four years.

2.408 Vacancies.

Any vacancy on the Commission shall be filled by the Mayor and Council for the unexpired portion of the term of the member creating the vacancy. The Council may declare an office of an appointed Commission member vacant whenever the Commission member has two consecutive unexcused absences.

2.410 Officers.

At the beginning of each calendar year, the Planning Commission shall elect a chairperson and vice-chairperson who shall hold office for one year.

2.412 Secretary.

The Development and Public Works director, or a duly authorized representative, shall keep an accurate and legally sufficient record of all proceedings before the Commission.

2.414 Quorum.

A majority of appointed members shall constitute a quorum. If a quorum is present, all matters shall be decided by a vote of the majority.

2.416 Meetings.

The Planning Commission shall meet at least once a month, at such times and places as may be fixed by the Commission. Special meetings may be called in accordance with the public meeting laws by the chairperson or vice-chairperson. All meetings shall comply with state public meeting laws. Public hearings shall be held in accordance with Section 5.2.100 of the Springfield Development Code.

2.418 Staff—Expenses.

(1) The principal staff to the Planning Commission shall be the Development and Public Works Director and the Development and Public Works Department staff.

(2) Members of the Planning Commission shall receive no compensation but may receive incurred expenses.

2.420 Functions.

(1) The Planning Commission shall be responsible for making recommendations to the Council concerning the legislative adoption of land use plans and land use regulations, in accordance with state law. Such plans and regulations shall include, but not be limited to, the Eugene-Springfield Metropolitan Area General Plan (Metro Plan), Springfield Comprehensive Plan, refinement plans and functional plans, the Springfield Development Code, and any other plans or regulations that implement or are subservient to the Metro Plan or Springfield Comprehensive Plan.

(2) The Planning Commission shall also be responsible for the review of development proposals in the manner prescribed in the Springfield Development Code. In making such quasi-judicial land use decisions, the Planning Commission shall act impartially and in accordance with land use plans and regulations that have been adopted by the Council.

2.422 Recommendations to the City Council.

All recommendations to the Council by the Planning Commission shall be in writing and shall include findings and reasoning in support of the recommendation.

2.424 Expenditures.

The Planning Commission shall have no authority to make expenditures on behalf of the city or to obligate the city for the payment of any sums of money.

AGENDA ITEM SUMMARY**SPRINGFIELD
CITY COUNCIL****Meeting Date:** 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Drew Larson/DPW
Staff Phone No: 541-726-3661
Estimated Time: Consent Calendar
Council Goals: Promote and Enhance our Hometown Feel while Focusing on Livability and Environmental Quality

ITEM TITLE: BICYCLE & PEDESTRIAN ADVISORY COMMITTEE APPOINTMENTS

ACTION REQUESTED: Appoint Deven Ralke to the Bicycle & Pedestrian Advisory Committee for a three-year term, ending on December 31, 2027.

ISSUE STATEMENT: The Bicycle & Pedestrian Advisory Committee (BPAC) currently has one vacant position due to an ongoing vacancy.

One person interviewed for the BPAC on April 8, 2024. Council gave direction to appoint the applicant, Ms. Deven Ralke to serve a three-year term.

ATTACHMENTS: None

**DISCUSSION/
FINANCIAL
IMPACT:** The Bicycle and Pedestrian Advisory Committee (BPAC), which typically consists of nine voting members, is seeking new members for one vacant seat. The BPAC advises City Council and city staff on pedestrian and bicycle plans. The committee was established to provide input on bicycle and pedestrian infrastructure, policies, programs, education, and enforcement. The committee has one multi year-long vacancy.

Appointing one new member will provide the BPAC with a full committee.

AGENDA ITEM SUMMARY

Meeting Date: 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Mindy Linder
Staff Phone No: 541-744-3388
Estimated Time: Consent Calendar
Council Goals: Mandate

**SPRINGFIELD
CITY COUNCIL**

ITEM TITLE:

ARTS COMMISSION APPLICANT APPOINTMENT

ACTION

REQUESTED: Appoint one (1) Keith Bennett to the Springfield Arts Commission with a partial term with an expiration ending December 31, 2027.

ISSUE

STATEMENT: In response to City Council's decision for boards, commissions, and committees to have nine (9) members, the Springfield Arts Commission has one (1) vacancy and one (1) applicant eligible for appointment.

ATTACHMENTS: None

**DISCUSSION/
FINANCIAL
IMPACT:** The Springfield Arts Commission has one (1) vacancy. Two (2) applicants applied, and both applicants were interviewed at the April 8, 2024, City Council Work Session. Council voted to appoint one (1) of the two (2) applicants.

The Springfield Arts Commission requests that the Council formally ratify the appointment of Keith Bennett to a partial term expiring Dec 31, 2027, during the regular meeting.

AGENDA ITEM SUMMARY**SPRINGFIELD
CITY COUNCIL****Meeting Date:** 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Chief Shearer/Police
Staff Phone No: 541-726-3729
Estimated Time: Consent Calendar
Council Goals: Strengthen Public Safety
by Leveraging
Partnerships and
Resources

ITEM TITLE: SPRINGFIELD POLICE ADVISORY COMMITTEE APPOINTMENT

**ACTION
REQUESTED:** Appoint/not appoint an individual to the Springfield Police Advisory Committee for a four year term starting June 1, 2024.

**ISSUE
STATEMENT:** The Springfield Police Advisory Committee has one Faith Community Representative vacancy created by a term expiration.

ATTACHMENTS: [1: Proposed Police Advisory Committee Roster](#)
[2: Josh Aguilar Application](#)

**DISCUSSION/
FINANCIAL
IMPACT:** The City received one (1) application for the Cultural Minority Community position on the Springfield Police Advisory Committee during the recruitment open from July 17, 2023 through March 29, 2024.

At the April 8, 2024 Work Session, City Council interviewed one (1) candidate. At the conclusion of the interview process, City Council supported appointment of Josh Aguilar as the Cultural Minority Community representative. The new appointee would begin his four (4) year term on June 1, 2024.

SPAC Roster as of May 2024

First Name	Last Name	Membership	First term	Second term	Expiration	SPAC-Council Liaison	Officer
Joe	Pishioneri	Councilor Representative	1/1/2017		-		
Josh	Aguilar	Cultural Minority Community	5/1/2024		12/31/2027		
Daniel	Davidson	Faith Community	6/1/2023		12/31/2026		
Cynthia	Koza	Local Business	12/1/2022		11/30/2026		
Jonathan	Hayes	Neighborhood At-Large	1/1/2022		12/31/2025		
Karla	Berg	Neighborhood At-Large	1/1/2022		12/31/2025		
Teresa (Terri)	Dillon	Neighborhood At-Large	12/1/2018	12/1/2022	11/30/2026	Co-liaison (11/4/21)	Chair (Dec 22- Dec 24)
Adam	Jenkins	Neighborhood At-Large	1/1/2022		12/31/2025		
Brett	Yancey	School District 19	10/3/2022		-		
Eric	Adams	Willamalane	12/5/2019		-		Vice Chair (Dec 22- Dec 24)



Application for a City of Springfield Citizen Advisory Board/Commission/Committee

City Manager's Office • 225 Fifth Street • Springfield, OR 97477

PLEASE NOTE:

- When possible, council will not appoint people currently serving on another governing body to the Planning Commission or Budget Committee.
- When appointing people to any of the other city boards, commissions or committees, the Council shall take into account whether that person is being reappointed for a subsequent term, is currently serving on another governing body or currently appointed to another city board, commission or committee.
- When possible, the Council will appoint people to serve on one City board, commission or committee only.

Top Three Board / Commission / Committee applying for:

1. SPAC-Springfield Police Advisory Committ[] 2. - [] 3. - []

Name: Josh Aguilar

Home address: [redacted] Springfield, Oregon 97477

Street City Zip

Mailing address: _____
Street City Zip

Day Phone: [redacted] Evening phone: [redacted]

Email Address: [redacted]

Preferred Form of Contact: Phone or email

Do you live within the Springfield city limits? Yes No ➔ If yes, how long? 23 Years
 If no, do you live inside Springfield's Urban Growth Boundary?
 Yes No

Ward number (City residents only): 1

Are you a Springfield property owner? Yes No
 Are you a Springfield business owner? Yes No
 Are you a registered voter? Yes No

Occupation: Manager Place of employment/School: Oregon Community Credit Union

Business address: 1981 Mohawk Blvd, Springfield, OR 97477

Education: Master of Business Administration & Master of Arts in Leadership from Bushnell University

Are you currently serving on any other board, committee, or commission? If so, please list them here:

How did you hear about the above vacancy?

Newspaper ad Newspaper article Radio/TV Mail notice

Word of mouth Board/Commission/Committee member Internet

(Over, please)

For more information please call the City Manager's Office 541.726.3700
Return this application to the City Manager's Office, 225 Fifth Street, Springfield Oregon 97477

Printed on Recycled Paper



Application for a City of Springfield Citizen Advisory Board/Commission/Committee

Please print or type:

1. What experiences / training / qualifications do you have for this particular board / commission / committee?

With a rich background in leadership and community service, I have accumulated substantial experience through my involvement with the Center of Leadership and Ethics at Bushnell University, as a board director for the Tri-County Chamber of Commerce, and as a board member for Centro Cristiano Familiar, a vital Spanish church in Springfield. These positions have not only sharpened my capabilities in ethical decision-making and strategic oversight but have also deepened my understanding of community dynamics and engagement. My diverse board experiences equip me with a unique perspective and a broad skill set.

2. What specific contribution do you hope to make?

Drawing on my Hispanic heritage, I aim to contribute a deep cultural understanding and perspective to bridge gaps between diverse communities and our board's initiatives.

3. Briefly describe your involvement in relevant community groups and activities. (Lack of previous involvement will not necessarily disqualify you from consideration.)

My involvement in the community is deeply rooted in serving and connecting with diverse groups, particularly within the Hispanic community in Springfield, Oregon. At Centro Cristiano Familiar, a Spanish church, I engage with community members, providing support and fostering a sense of belonging. As a youth mentor for Centro Latino Americano, I dedicated my efforts to guiding and empowering Springfield's youth, focusing on their personal and educational development. Additionally, as a member of the Springfield Chamber of Commerce, I actively participate in initiatives aimed at enhancing the local business well-being.

4. What community topics concern you that relate to this board / commission / committee? Why do you want to become a member?

By contributing my perspective and experiences, I hope to aid in the development of strategies that enhance safety and mutual respect, ensuring law enforcement is accessible and equitable for all community members.

5. Most boards / commissions / committees meet monthly. Subcommittees may meet more frequently. Meetings generally last one and one-half hours. **It is highly recommended you attend a meeting before submitting the application.** Please read the news release for this position which contains the normal dates and times for these meetings and can be found at <http://www.springfield-or.gov/city/newsroom/news-room-articles/>. Are you available to attend meetings on the dates listed for this committee?

Yes No

Comments: _____

I certify the information in this application and attachments are true and complete to the best of my knowledge. I understand that false or misleading statements or missing information is cause for rejection of application, removal of name from eligible list, or dismissal from the position. I hereby waive my rights to claims or damages against any employer and the City of Springfield, its officers, agents, and employees, in regard to this exchange of information. I hereby authorize to permit the City of Springfield and/or the Springfield Police Department to review my background information and if required my DMV records. I have reviewed the Advisory and meet the minimum requirements to serve/volunteer in the desired position. I also authorize to permit any materials listed above to be copied and retained by the City of Springfield. I authorize the use of my photograph.

I will defend, indemnify and hold harmless the City of Springfield, its officers, employees, and agents from and against all liability or loss and against any and all claims, actions, causes of actions, proceedings or appeals based upon or arising out of or arising from or in connection with my conduct or performance as a volunteer with the City of Springfield including but not limited damage or injury to persons or property and including without limitation attorney fees and expenses; except for losses, claims or actions resulting from the sole negligence of the City of Springfield.

Applicant Signature: _____ Date: 3/26/24

For more information please call 541.726.3700
Return this application to _____ Street, Springfield Oregon 97477

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AGENDA ITEM SUMMARY

Meeting Date: 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Jessica Mumme/Finance
Staff Phone No: 541-736-1032
Estimated Time: Consent Calendar
Council Goals: Mandate

**SPRINGFIELD
CITY COUNCIL**

ITEM TITLE:

BUDGET COMMITTEE APPLICANT APPOINTMENT

ACTION REQUESTED: Appoint Michael Roemen to represent Ward 3 on the Budget Committee with terms expiring December 31, 2026.

ISSUE STATEMENT: Applicants were sought to represent Ward 3. The vacancy was the result of the term expiration of the prior appointee.

ATTACHMENTS: None

**DISCUSSION/
FINANCIAL
IMPACT:**

On April 15th, the City Council interviewed one applicant for the Budget Committee vacancy in Ward 3. After discussion, the Council asked that Michael Roemen's name be brought back for appointment to the Ward 3 vacancy.

The final appointment by ward is as follows:

Ward Representation	Name
3	Michael Roemen

AGENDA ITEM SUMMARY

Meeting Date: 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Robin Holman - DPW
Staff Phone No: 541-726-3662
Estimated Time: Consent Calendar
Council Goals: Mandate

**SPRINGFIELD
CITY COUNCIL**

ITEM TITLE: LIQUOR LICENSE APPLICATION FOR A NEW OUTLET FOR HOPE NGUYEN, DBA: PRO NAIL SALON.

ACTION REQUESTED: Endorsement of OLCC Liquor License Application for Pro Nail Salon, located at 1813 Pioneer Parkway E. Springfield, OR 97477.

ISSUE STATEMENT: The owner of Pro Nail Salon has requested the City Council to endorse its OLCC Liquor License Application.

ATTACHMENTS: [1: OLCC Liquor License Application.](#)

**DISCUSSION/
FINANCIAL
IMPACT:** The license endorsement for Hope Nguyen, DBA: Pro Nail Salon is for a New Outlet with Limited On-Premises Sales. The license application has been reviewed and approved by the appropriate City Departments.

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

New Outlet | Change of Ownership | Greater Privilege | Additional Privilege

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
- Caterer
- Public Passenger Carrier
- Other Public Location
- For Profit Private Club
- Nonprofit Private Club

Winery

- Primary location
- Additional locations: 2nd 3rd 4th 5th

Brewery

- Primary location
- Additional locations: 2nd 3rd

Brewery-Public House

- Primary location
- Additional locations: 2nd 3rd

Grower Sales Privilege

- Primary location
- Additional locations: 2nd 3rd

Distillery

- Primary location
- Additional tasting locations: (Use the DISTT form [HERE](#))

Limited On-Premises

- Off Premises
- Warehouse
- Wholesale Malt Beverage and Wine

LOCAL GOVERNMENT USE ONLY

LOCAL GOVERNMENT

After providing your recommendation, return this form to the applicant **WITH** the recommendation marked below

Name of City OR County (not both)

City of Springfield

Please make sure the name of the Local Government is printed legibly or stamped below

Date application received: 4/2/2024

Optional: Date Stamp Received Below

- Recommend this license be granted
- Recommend this license be denied
- No Recommendation/Neutral

Printed Name

Date

Signature

Trade Name

LIQUOR LICENSE APPLICATION

Page 2 of 4

APPLICANT INFORMATION

Identify the applicants applying for the license. This is the entity (example: corporation or LLC) or individual(s) applying for the license. Please add an additional page if more space is needed.

Name of entity or individual applicant #1:

Hope Nguyen

Name of entity or individual applicant #2:

Name of entity or individual applicant #3:

Name of entity or individual applicant #4:

BUSINESS INFORMATION

Trade Name of the Business (name customers will see):

Pro Nail Salon

Premises street address (The physical location of the business and where the liquor license will be posted):

1813 Pioneer Parkway E

City:

Springfield, OR

Zip Code:

97477

County:

Lane

Business phone number:

541-744-2214

Business email:

hopnguyen102075@gmail.com

Business mailing address (where we will send any items by mail as described in [OAR 845-004-0065\[11\]](#)):

1813 Pioneer Parkway E

City:

Springfield

State:

OR

Zip Code:

97477

Does the business address currently have an OLCC liquor license? Yes No

Does the business address currently have an OLCC marijuana license? Yes No

AUTHORIZED REPRESENTATIVE – A liquor applicant or licensee may give a representative authorization to make changes to the license or application on behalf of the licensee or to receive information about a license or application.

I give permission for the below named representative to:

- Make changes regarding this license/application on my behalf.
- Sign application forms regarding this license/application on my behalf.
- Receive information about the status of this application, including information about pending compliance action or communications between OLCC and the licensee/applicant.

Representative Name:

Hope Nguyen

Phone number:

541-744-2214

Email:

hopnguyen102075@gmail.com

Mailing address:

2406 Crowther Dr

City:

Eugene

State:

OR

Zip Code:

97404

LIQUOR LICENSE APPLICATION

Page 3 of 4

APPLICATION CONTACT INFORMATION – Provide the point of contact for this application. If this individual is <u>not</u> an applicant or licensee, the Authorized Representative section must be filled in and the appropriate permission(s) must be selected.	
Application Contact Name: Hope Nguyen	
Phone number: 541-744-2214	Email: hopnguyen102015@gmail.com

TERMS

- “Real property” means the real estate (land) and generally whatever is erected or affixed to the land (for example, the building) at the business address.
- “Common area” is a privately owned area where two or more parties (property tenants) have permission to use the area in common. Examples include the walking areas between stores at a shopping center, lobbies, hallways, patios, parking lots, etc. An area’s designation as a “common area” is typically identified in the lease or rental agreement.

ATTESTATION – OWNERSHIP AND CONTROL OF THE BUSINESS AND PREMISES

- Each applicant listed in the “Application Information” section of this form has read and understands [OAR 845-005-0311](#) and attests that:
 1. At least one applicant listed in the “Application Information” section of this form has the legal right to occupy and control the real property proposed to be licensed as shown by a property deed, lease, rental agreement, or similar document.
 2. No person not listed as an applicant in the “Application Information” section of this form has an ownership interest in the business proposed to be licensed, unless the person qualifies to have that ownership interest waived under OAR 845-005-0311.
 3. The licensed premises at the premises street address proposed to be licensed either:
 - a. Does not include any common areas; or
 - b. Does include one or more common areas; however, only the applicant(s) have the exclusive right to engage in alcohol sales and service in the area to be included as part of the licensed premises.
 - In this circumstance, the applicant(s) acknowledges responsibility for ensuring compliance with liquor laws within and in the immediate vicinity of the licensed premises, including in portions of the premises that are situated in “common areas” and that this requirement applies at all times, even when the business is closed.
 4. The licensed premises at the premises street address either:
 - a. Has no area on property controlled by a public entity (like a city, county, or state); or
 - b. Has one or more areas on property controlled by a public entity (like a city, county, or state) and the public entity has given at least one of the applicant(s) permission to exercise the privileges of the license in the area.

LIQUOR LICENSE APPLICATION

Page 4 of 4

• Each applicant listed in the "Application Information" section of this form has read and understands [OAR 845-006-0362](#) and attests that:

1. Upon licensure, each licensee is responsible for the conduct of others on the licensed premises, including in outdoor areas.
2. The licensed premises will be controlled to promote public safety and prevent problems and violations, with particular emphasis on preventing minors from obtaining or consuming alcoholic beverages, preventing over-service of alcoholic beverages, preventing open containers of alcoholic beverages from leaving the licensed premises unless allowed by OLCC rules, and preventing noisy, disorderly, and unlawful activity on the licensed premises.

I attest that all answers on all forms and documents, and all information provided to the OLCC as a part of this application, are true and complete.

<u>Hope Nguyen</u> Print name	<u></u> Signature	<u>3/24/2024</u> Date	<u></u> Atty. Bar Info (if applicable)
<u></u> Print name	<u></u> Signature	<u></u> Date	<u></u> Atty. Bar Info (if applicable)
<u></u> Print name	<u></u> Signature	<u></u> Date	<u></u> Atty. Bar Info (if applicable)
<u></u> Print name	<u></u> Signature	<u></u> Date	<u></u> Atty. Bar Info (if applicable)

AGENDA ITEM SUMMARY

Meeting Date: 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Kristina Kraaz, CAO
Staff Phone No: 541-744-4062
Estimated Time: Consent Calendar
Council Goals: Encourage Economic Development and Revitalization through Community Partnerships

**SPRINGFIELD
CITY COUNCIL**

ITEM TITLE: RATIFICATION OF AMENDMENT TO THE DOWNTOWN URBAN RENEWAL PLAN FOR REAL PROPERTY ACQUISITION

ACTION REQUESTED: Adopt/not adopt the following Resolution:
RESOLUTION RATIFYING AN AMENDMENT TO THE DOWNTOWN URBAN RENEWAL PLAN FOR REAL PROPERTY ACQUISITION

ISSUE STATEMENT: The City Council is requested to approve a resolution ratifying an amendment to Section 700.C of the Downtown Urban Renewal Plan. The amendment is intended to formally acknowledge recent or future acquisitions of real property by SEDA.

ATTACHMENTS: [1: Proposed Resolution Ratifying an Amendment to the Downtown Urban Renewal Plan for Real Property Acquisition](#)
[Exhibit A: Property Map](#)

**DISCUSSION/
FINANCIAL
IMPACT:** SEDA took action on March 11, 2024, to amend the Downtown Urban Renewal Plan to include acquisitions of specific parcels, identified in Attachment 1, Exhibit A. Per the requirements of the Downtown Urban Renewal Plan, the City Council is required to ratify the SEDA amendments by Council resolution.

The Downtown Urban Renewal Plan amendment updates Sections 700.C. for the acquisition of real property for redevelopment, as specified in Section 900.C. The amendment adds the following properties identified by map and tax lot numbers as 17-03-35-42-02000, 17-03-35-42-02200, and 17-03-35-42-02300.

**CITY OF SPRINGFIELD, OREGON
RESOLUTION NO. _____**

**A RESOLUTION RATIFYING AN AMENDMENT TO THE DOWNTOWN URBAN RENEWAL PLAN
FOR REAL PROPERTY ACQUISITION**

WHEREAS, the Downtown Urban Renewal Plan was approved by voters on November 6, 2007 and accepted by the Springfield City Council by Ordinance 6210 (adopted November 26, 2007);

WHEREAS, The Downtown Urban Renewal Plan (the "Plan") authorizes SEDA to acquire real property to achieve the Plan's objectives subject to sections 600.C, 700, 800 and 900 of the Plan;

WHEREAS, Section 700.A.1 of the Plan requires City Council ratification as well as SEDA approval, both as described in Section 900.C of the Plan, for SEDA acquisition for assembling land for development by the public or private sector;

WHEREAS, Section 700.C of the Plan requires that properties to be acquired be identified in the Plan and a map exhibit, attached and incorporated to the resolution as Exhibit A, showing the properties be shown as an official part of the Plan; and

WHEREAS, pursuant to Section 700.A.1, on March 11, 2024, SEDA adopted Resolution SEDA2024-02 amending the Plan to acquire the properties listed in Exhibit A for development by the public or private sector ("the Amendment"),

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD:

Section 1: The Council approves and ratifies the Amendment.

Section 2: This Resolution will take effect upon adoption by the Council.

ADOPTED by the Common Council of the City of Springfield this _____ day of May, 2024, by a vote of _____ for and _____ against.

ATTEST:

City Recorder

**CITY OF SPRINGFIELD, OREGON
RESOLUTION NO. _____**

**A RESOLUTION RATIFYING AN AMENDMENT TO THE DOWNTOWN URBAN RENEWAL PLAN
FOR REAL PROPERTY ACQUISITION**

WHEREAS, the Downtown Urban Renewal Plan was approved by voters on November 6, 2007 and accepted by the Springfield City Council by Ordinance 6210 (adopted November 26, 2007);

WHEREAS, The Downtown Urban Renewal Plan (the "Plan") authorizes SEDA to acquire real property to achieve the Plan's objectives subject to sections 600.C, 700, 800 and 900 of the Plan;

WHEREAS, Section 700.A.1 of the Plan requires City Council ratification as well as SEDA approval, both as described in Section 900.C of the Plan, for SEDA acquisition for assembling land for development by the public or private sector;

WHEREAS, Section 700.C of the Plan requires that properties to be acquired be identified in the Plan and a map exhibit, attached and incorporated to the resolution as Exhibit A, showing the properties be shown as an official part of the Plan; and

WHEREAS, pursuant to Section 700.A.1, on March 11, 2024, SEDA adopted Resolution SEDA2024-02 amending the Plan to acquire the properties listed in Exhibit A for development by the public or private sector ("the Amendment"),

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD:

Section 1: The Council approves and ratifies the Amendment.

Section 2: This Resolution will take effect upon adoption by the Council.

ADOPTED by the Common Council of the City of Springfield this _____ day of May, 2024, by a vote of _____ for and _____ against.

ATTEST:

City Recorder



- A. Tax Lot 17-03-35-42-02200
- B. Tax Lot 17-03-35-42-02000
- C. Tax Lot 17-03-35-42-02300

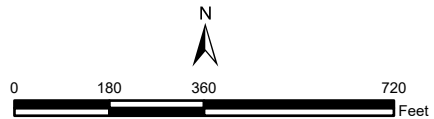


Exhibit A- Properties to be added to the Downtown Urban Renewal Plan
Lane County, Oregon

AGENDA ITEM SUMMARY

**SPRINGFIELD
CITY COUNCIL**

Meeting Date: 5/6/2024
Meeting Type: Work Session
Staff Contact/Dept.: Matt Stouder/DPW
Staff Phone No: 541-726-3674
Estimated Time: 10 Minutes
Council Goals: Provide Financially Responsible and Innovative Government Services

ITEM TITLE: WASTEWATER AND STORMWATER USER FEES FY 2024-25

ACTION REQUESTED: 1) Conduct a public hearing on local and regional wastewater and local stormwater user fees.
2) Adopt A RESOLUTION OF THE CITY OF SPRINGFIELD SETTING LOCAL AND REGIONAL WASTEWATER (SEWER) USER FEES AND LOCAL STORMWATER (DRAINAGE) USER FEES AS SET FORTH IN THE SPRINGFIELD MUNICIPAL CODE.

ISSUE STATEMENT: Each year, the City Council reviews and establishes the rates for local wastewater and stormwater user fees and adopts regional wastewater user fees set by the Metropolitan Wastewater Management Commission. Council action is needed to establish user fees for FY 2023-24 (FY 23-24).

ATTACHMENTS: [1. Resolution](#)
[2. 4/22/24 Council Briefing Memorandum](#)

**DISCUSSION/
FINANCIAL
IMPACT:** Each year, the City Council reviews and establishes the rates for local wastewater and stormwater user fees. Rates are established to provide adequate revenue to fund operation and maintenance (O&M) of Springfield's wastewater (sanitary sewer) and stormwater systems, a portion of the Capital Improvement Program (CIP) for each program, and various other program related activities. The Council also adopts the user fees set by the Metropolitan Wastewater Management Commission (MWMC) for the Regional Wastewater Program.

The City Council reviewed and discussed options for local wastewater and stormwater user fees at the April 22, 2024 work session. Detail on the options discussed is provided in Attachment 2. Council provided guidance to staff to prepare a resolution based on Option 2 for both wastewater and stormwater services. Staff has provided a schedule of user charges for a public hearing based on a 5.0 % adjustment in the rates for local wastewater and a 3.0% adjustment in stormwater user fees. In addition, the Council was informed that the MWMC adopted a 5.5% adjustment in the regional wastewater user fees that also needs to be incorporated into the schedule of user charges for FY 24-25.

Attachment 1, a resolution establishing the local and regional wastewater and local stormwater user fees for FY 24-25, is provided for Council consideration. Staff requests that the Council act on the resolution following the public hearing.

**CITY OF SPRINGFIELD, OREGON
RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY OF SPRINGFIELD SETTING LOCAL AND REGIONAL
WASTEWATER (SEWER) USER FEES AND LOCAL STORMWATER (DRAINAGE) USER FEES AS
SET FORTH IN THE SPRINGFIELD MUNICIPAL CODE.**

WHEREAS, the City of Springfield has established a system of wastewater and stormwater drainage sewer systems; and

WHEREAS, under the Intergovernmental Agreement (IGA) entered into by the City of Springfield, the City of Eugene and Lane County in February 1977, and as subsequently amended, the Metropolitan Wastewater Management Commission (MWMC) constructs, operates, and maintains the regional sewerage facilities, as described in the IGA; and

WHEREAS, the costs related to operation, maintenance and certain capital improvements of the local and regional wastewater sewer systems, and the local stormwater drainage systems are funded through user fees; and

WHEREAS, Sections 4.206(3) and 4.208(2)(a)(i) and (ii) of the Springfield Municipal Code authorize the setting of wastewater and stormwater charges by resolution of the Council; and

WHEREAS, the MWMC approved Resolution 24-04, adopting the Regional Wastewater Program Budget and Capital Improvements Program for fiscal year (FY) 2024-2025, and Resolution 24-03, adopting a schedule of user fees for FY 24-25 operations and capital programs, on April 12, 2024, after reviewing the proposed Resolutions in a series of public meetings and/or public hearings; and

WHEREAS, Section 8(c) of the MWMC IGA obligates the City to "adopt user charges required by 40 CFR 35.929 in an amount not less than adopted by the Commission"; and

WHEREAS, the schedule of sewer user fees, attached as Exhibit "A," and incorporated herein, is needed to collect revenues necessary to fund the operations, maintenance, and certain capital improvements of the local and regional wastewater (sewer) system and the local stormwater drainage system in FY 24-25.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD:

Section 1: The City of Springfield Schedule of Local and Regional Wastewater (Sanitary Sewer) User and Local Stormwater (Drainage) Fees, which is attached as Exhibit "A," is hereby adopted and shall take effect with bills rendered on or after July 1, 2024.

Section 2: This Resolution shall take effect upon its adoption by the Council.

ADOPTED by the Common Council of the City of Springfield this _____ day of May, 2024, by a vote of _____ for and _____ against.

ATTEST:

City Recorder

EXHIBIT A

Wastewater (Sanitary Sewer)

Beginning with bills rendered on or after July 1, 2024

Wastewater charges shall be as follows:

Wastewater Monthly Fee Schedule

Wastewater Flow-Based Fee (per unit - 748 gallons)

	Residential Customer	Commercial / Industrial Customers				
		Low Strength 400*	Medium Strength 800*	High Strength 1200*	Very High Strength 1600*	Super High Strength Over 1600*
MWMC	\$2.381	\$3.199	\$4.660	\$6.614	\$8.572	\$10.526
City of Springfield	\$4.084	\$4.084	\$4.084	\$4.084	\$4.084	\$4.084
Total	\$6.465	\$7.283	\$8.744	\$10.698	\$12.656	\$14.610

* Average total biochemical oxygen demand and suspended solids in milligrams per liter (mg/L)

Base Charge: A regional (MWMC) monthly base charge of \$15.99 is applied to each account

Stormwater (Drainage)

Beginning with bills rendered on or after July 1, 2024

Stormwater charges shall be as follows:

Stormwater Monthly Fee Schedule

* Residential: \$16.97

** Commercial	Very Heavy >70%	Heavy 41-70%	Moderate 20-40%	Light <20%	Undeveloped 0%
Base Fee per 1,000 sq ft	\$1.972	\$1.972	\$1.972	\$1.972	\$0.000
Impact Fee per 1,000 sq ft	\$2.962	\$1.727	\$0.495	\$0.000	\$0.000
Total Rate per 1,000 sq ft	\$4.934	\$3.699	\$2.467	\$1.972	\$0.000

* Residential includes single family residential and duplex households

** Commercial is based on percentage of property development (impervious surface)

** In addition to the Commercial rates above, an Administrative Fee of \$1.959 per account is applied monthly

MEMORANDUM

City of Springfield

Date: 4/22/2024
To: Nancy Newton, City Manager
From: Matt Stouder, Environmental Services Division Director
Jeff Paschall, DPW Community Development Director
Subject: Wastewater and Stormwater User Fees FY 2024-25

**COUNCIL
BRIEFING
MEMORANDUM**

ISSUE:

User fees for local wastewater and stormwater services are reviewed annually by the Council as part of the City’s budget development process. Staff is in the process of updating user fees for Council consideration and adoption. A public hearing is scheduled for May 6, 2024. Additionally, the Metropolitan Wastewater Management Commission (MWMC) approved a schedule of Fiscal Year 2024-25 (FY 24-25) regional wastewater user fees on April 12, 2024, and will forward them to the Cities of Springfield and Eugene for implementation.

COUNCIL GOALS/

MANDATE:

Provide Financially Responsible and Innovative Government Services

To fund services associated with the City’s wastewater and stormwater programs and adopted Capital Improvement Program (CIP), a revenue plan that includes an adjustment in user fees for FY 24-25 has been prepared for Council consideration. Revenues generated from user fees fund ongoing system maintenance, investments in capital improvements to replace existing infrastructure and accommodate new development, meet revenue bond covenants, ensure environmental and regulatory permit requirements are met, and maintain operating and capital reserves.

BACKGROUND:

As part of the budget development process, the City develops an annual CIP and operating budget for the local wastewater and stormwater programs. These programs face many challenges, including fixed operating and maintenance costs, capital project costs that often inflate at rates higher than the Consumer Price Index, and costs to comply with Federal and State environmental mandates.

To meet these challenges, the City develops the CIP and operating budget, makes debt service payments, and sets reserve levels as established by the Council. This information is then used to determine annual funding requirements. Primary funding sources include wastewater and stormwater user fees (for operating and capital expenses), and system development charges (SDCs) for capital only expenses. In addition to local fees, the MWMC establishes regional wastewater charges to fund the Regional Wastewater Program.

The services the City provides are vital to economic development activity and the health and safety of local waterways and are important to Springfield residents. Ongoing survey results indicate that promoting economic development and maintaining a healthy environment and water quality are very important in Springfield. A brief description of the City’s local wastewater and stormwater programs is below:

Local Wastewater Program

The wastewater system serving Springfield has two components: (1) a local wastewater collection system owned and operated by the City, and (2) a regional conveyance, treatment and disposal system owned and operated by the MWMC. The local system is comprised of about 250 miles of collection pipelines and 16 pump stations. Operations and maintenance of the local collection system is funded entirely by revenue from local wastewater user fees. In addition, user fees are the primary source of funding for the City's CIP, which provides for system preservation, major rehabilitation, and expansion to support growth and development. Through previous rate actions, revenues for this program are stable, and current and projected CIP priorities have been programmed based upon moderate and incremental rate adjustments.

The update of the Wastewater Master Plan is in the final stages with the final draft complete and Council review and adoption consideration scheduled for June. The updated master plan identifies infrastructure improvements and system expansion to support growth within the Urban Growth Boundary (UGB) and meet mandated permit requirements. As part of the Wastewater Master Plan Update, a strategic financial plan was developed to evaluate existing funds and future revenue needs to fund the 20-year plan as well as ongoing Capacity, Management, Operations, and Maintenance (CMOM) Program capital needs. This strategic financial plan was used to develop the recommended rate increase for FY25.

Local Stormwater Program

Stormwater management services are an important part of the City's effort to improve water quality, protect aquatic habitat and recreational opportunities, and protect properties and infrastructure from flooding. The City's National Pollutant Discharge Elimination System (NPDES) Stormwater Permit and Council adopted Stormwater Management Plan implement Federal and State water quality standards and guide the delivery of stormwater services for the community. The City's storm drainage system includes about 190 miles of stormwater pipe, approximately 6,289 catch basins, 244 water quality facilities (including the Mill Race Stormwater Facility), and approximately 28.5 miles of surface vegetated waterways, which require ongoing inspection, maintenance, and vegetation control. In addition, 306 curb miles of street sweeping and leaf cleanup support surface stormwater quality activities that address permit compliance. Stormwater operations and maintenance services are funded entirely by revenue from the stormwater user fees. User fees are a primary source of funding for the maintenance, rehabilitation, and preservation of the City's stormwater capital infrastructure assets. The current and projected stormwater CIP program is based upon moderate and incremental rate adjustments.

PROPOSED LOCAL WASTEWATER AND STORMWATER USER FEE OPTIONS

Proposed FY 24-25 user fee options are discussed below for a residential monthly bill (assumes 6,684 units or 5,000 gallons of wastewater generated monthly for comparison with other communities). The *average* Springfield residential customer uses 4,300 gallons monthly. Note 5,000 gallons is used to normalize and compare with other communities. Options are presented for Council discussion and consideration.

Option 1: Combined Local Wastewater and Stormwater User Fee – 5.7% adjustment.

The table below displays the proposed combined rate adjustment as a percentage and dollar amount (\$2.35) for a residential monthly bill. The level of projected rate change for future years is also displayed. Option 1 fully funds existing system operations, maintenance, and regulatory obligations, as well as the Council approved CIP. This option also provides a more responsive forecast to the continued and projected decrease in wastewater volumes by users and positions the City to better mitigate revenue losses when significant system users make major modifications to their business practices. Option 1 considers the Engineering News-Record (ENR) Construction Cost Index (CCI) relative to inflation on construction materials and labor cost increases, which increased by an average of 2.6% in 2023, and 2.9% in the first four months of 2024. The ENR CCI rate of inflation is generally higher than the CPI inflation index and more closely aligns with the City's capital construction project costs.

Lastly, this option positions the City to better meet new requirements related to environmental permitting, including the existing Phase II General Stormwater permit and upcoming expected 2024 General permit. It also allows for a greater transfer to capital reserves over the 5-year period coinciding with the City's 5-year CIP, which may allow for deferral of future revenue bond issuance or loans that include financing interest expenses and additional cash reserve requirements over a 20-year term.

Fiscal Year	24-25 <i>Proposed</i>	25-26 <i>Projection</i>	26-27 <i>Projection</i>
Local Wastewater Services			
Monthly Residential Bill	\$ 28.78	\$ 30.33	\$ 31.43
Local Rate Adjustment	6.0%	5.0%	4.0%
Residential Increase	\$ 1.69	\$ 1.38	\$ 1.10
Stormwater Services			
Monthly Residential Bill	\$ 17.06	\$ 17.57	\$ 18.10
Local Rate Adjustment	3.5%	3.0%	3.0%
Residential Increase	\$ 0.66	\$ 0.51	\$ 0.53
Local Wastewater & Stormwater Combined			
Monthly Residential Bill	\$ 45.84	\$ 47.90	\$ 49.53
Rate Adjustments Combined	5.7%	4.0%	3.3%
Residential Rate Increase	\$ 2.35	\$ 1.89	\$ 1.63

Option 2 (Recommended): Combined Local Wastewater and Stormwater User Fee – 4.1% adjustment.

The table below displays the recommended combined rate adjustment as a percentage and dollar amount (\$1.82) for a residential monthly bill. The recommended rate changes represent the lowest responsible rate change, given the stormwater and wastewater permit regulatory requirements, ongoing operation, and maintenance of the systems, and current and planned capital project work.

Fiscal Year	24-25 <i>Proposed</i>	25-26 <i>Projection</i>	26-27 <i>Projection</i>
Local Wastewater Services			
Monthly Residential Bill	\$ 27.98	\$ 29.10	\$ 30.12
Local Rate Adjustment	5.0%	4.0%	3.5%
Residential Increase	\$ 1.33	\$ 1.12	\$ 1.02
Stormwater Services			
Monthly Residential Bill	\$ 16.97	\$ 17.56	\$ 18.17
Local Rate Adjustment	3.0%	3.0%	3.5%
Residential Increase	\$ 0.49	\$ 0.59	\$ 0.61
Local Wastewater & Stormwater Combined			
Monthly Residential Bill	\$ 44.95	\$ 46.66	\$ 48.29
Rate Adjustments Combined	4.1%	3.7%	3.4%
Residential Rate Increase	\$ 1.82	\$ 1.71	\$ 1.63

REGIONAL WASTEWATER USER FEES:

At the March 8, 2024, MWMC meeting, staff presented the Preliminary FY 24-25 Regional Wastewater Program Budget and Capital Improvement Program and the proposed regional wastewater user fee rates. Based on discussions and input provided by the Commission, staff returned to the Commission on April 12, 2024, for a public hearing where the Commission adopted resolutions recommending a 5.5% user fee adjustment in FY 24-25, and the Regional FY 24-25 Budget for ratification by the cities of Eugene and Springfield. The table below shows the adopted FY 24-25 regional wastewater user fees.

MWMC Regional Wastewater FY 24-25 Adopted Rates and Forecast

Fiscal Year	24-25 Adopted	25-26 Projection	26-27 Projection
Monthly Residential Bill ⁽¹⁾	\$ 31.91	\$ 33.11	\$ 34.35
Regional Rate Adjustment	5.5%	3.75%	3.75%
Residential Adjustment	\$ 1.66	\$ 1.20	\$ 1.24

⁽¹⁾ When applied to 6.684 billing units or 5,000 gallons

With the recommended Option 2 including a local wastewater rate adjustment of 5.0% (\$1.33/month), a proposed stormwater rate adjustment of 3.0% (\$0.49/month), and the MWMC adopted regional wastewater rate adjustment of 5.5% (\$1.66/month), the residential bill (assuming 6.684 units or 5,000 gallons of wastewater generated) would increase by \$3.48 monthly (assuming 5,000 gallons generated).

RECOMMENDED ACTION:

Staff has carefully considered the funding requirements associated with the proposed FY 24-25 budget and recommends Council consider a local wastewater rate adjustment of 5.0% and a stormwater rate adjustment of 3.0% (Option 2). If adopted, the proposed adjustments will provide sufficient revenues in FY 24-25 to continue to defer the need for future financing, maintain adequate debt service coverage, meet environmental regulations and permitting requirements, fund necessary capital improvements and system maintenance obligations, and provide quality services to existing customers and new development.

Staff requests Council’s consideration, comments, and direction on the proposed rate changes. The schedule of wastewater and stormwater fees, including the regional MWMC adopted rates for FY 24-25, will be reviewed and considered at the public hearing currently scheduled for May 6, 2024.

**CITY OF SPRINGFIELD, OREGON
RESOLUTION NO. _____**

**A RESOLUTION OF THE CITY OF SPRINGFIELD SETTING LOCAL AND REGIONAL
WASTEWATER (SEWER) USER FEES AND LOCAL STORMWATER (DRAINAGE) USER FEES AS
SET FORTH IN THE SPRINGFIELD MUNICIPAL CODE.**

WHEREAS, the City of Springfield has established a system of wastewater and stormwater drainage sewer systems; and

WHEREAS, under the Intergovernmental Agreement (IGA) entered into by the City of Springfield, the City of Eugene and Lane County in February 1977, and as subsequently amended, the Metropolitan Wastewater Management Commission (MWMC) constructs, operates, and maintains the regional sewerage facilities, as described in the IGA; and

WHEREAS, the costs related to operation, maintenance and certain capital improvements of the local and regional wastewater sewer systems, and the local stormwater drainage systems are funded through user fees; and

WHEREAS, Sections 4.206(3) and 4.208(2)(a)(i) and (ii) of the Springfield Municipal Code authorize the setting of wastewater and stormwater charges by resolution of the Council; and

WHEREAS, the MWMC approved Resolution 24-04, adopting the Regional Wastewater Program Budget and Capital Improvements Program for fiscal year (FY) 2024-2025, and Resolution 24-03, adopting a schedule of user fees for FY 24-25 operations and capital programs, on April 12, 2024, after reviewing the proposed Resolutions in a series of public meetings and/or public hearings; and

WHEREAS, Section 8(c) of the MWMC IGA obligates the City to "adopt user charges required by 40 CFR 35.929 in an amount not less than adopted by the Commission"; and

WHEREAS, the schedule of sewer user fees, attached as Exhibit "A," and incorporated herein, is needed to collect revenues necessary to fund the operations, maintenance, and certain capital improvements of the local and regional wastewater (sewer) system and the local stormwater drainage system in FY 24-25.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD:

Section 1: The City of Springfield Schedule of Local and Regional Wastewater (Sanitary Sewer) User and Local Stormwater (Drainage) Fees, which is attached as Exhibit "A," is hereby adopted and shall take effect with bills rendered on or after July 1, 2024.

Section 2: This Resolution shall take effect upon its adoption by the Council.

ADOPTED by the Common Council of the City of Springfield this _____ day of May, 2024, by a vote of _____ for and _____ against.

ATTEST:

City Recorder

EXHIBIT A

Wastewater (Sanitary Sewer)

Beginning with bills rendered on or after July 1, 2024

Wastewater charges shall be as follows:

Wastewater Monthly Fee Schedule

Wastewater Flow-Based Fee (per unit - 748 gallons)

	Residential Customer	Commercial / Industrial Customers				
		Low Strength 400*	Medium Strength 800*	High Strength 1200*	Very High Strength 1600*	Super High Strength Over 1600*
MWMC	\$2.381	\$3.199	\$4.660	\$6.614	\$8.572	\$10.526
City of Springfield	\$4.084	\$4.084	\$4.084	\$4.084	\$4.084	\$4.084
Total	\$6.465	\$7.283	\$8.744	\$10.698	\$12.656	\$14.610

* Average total biochemical oxygen demand and suspended solids in milligrams per liter (mg/L)

Base Charge: A regional (MWMC) monthly base charge of \$15.99 is applied to each account

Stormwater (Drainage)

Beginning with bills rendered on or after July 1, 2024

Stormwater charges shall be as follows:

Stormwater Monthly Fee Schedule

* Residential: \$16.97

** Commercial	Very Heavy >70%	Heavy 41-70%	Moderate 20-40%	Light <20%	Undeveloped 0%
Base Fee per 1,000 sq ft	\$1.972	\$1.972	\$1.972	\$1.972	\$0.000
Impact Fee per 1,000 sq ft	\$2.962	\$1.727	\$0.495	\$0.000	\$0.000
Total Rate per 1,000 sq ft	\$4.934	\$3.699	\$2.467	\$1.972	\$0.000

* Residential includes single family residential and duplex households

** Commercial is based on percentage of property development (impervious surface)

** In addition to the Commercial rates above, an Administrative Fee of \$1.959 per account is applied monthly

MEMORANDUM

City of Springfield

Date: 4/22/2024
To: Nancy Newton, City Manager
From: Matt Stouder, Environmental Services Division Director
Jeff Paschall, DPW Community Development Director
Subject: Wastewater and Stormwater User Fees FY 2024-25

**COUNCIL
BRIEFING
MEMORANDUM**

ISSUE:

User fees for local wastewater and stormwater services are reviewed annually by the Council as part of the City’s budget development process. Staff is in the process of updating user fees for Council consideration and adoption. A public hearing is scheduled for May 6, 2024. Additionally, the Metropolitan Wastewater Management Commission (MWMC) approved a schedule of Fiscal Year 2024-25 (FY 24-25) regional wastewater user fees on April 12, 2024, and will forward them to the Cities of Springfield and Eugene for implementation.

COUNCIL GOALS/

MANDATE:

Provide Financially Responsible and Innovative Government Services

To fund services associated with the City’s wastewater and stormwater programs and adopted Capital Improvement Program (CIP), a revenue plan that includes an adjustment in user fees for FY 24-25 has been prepared for Council consideration. Revenues generated from user fees fund ongoing system maintenance, investments in capital improvements to replace existing infrastructure and accommodate new development, meet revenue bond covenants, ensure environmental and regulatory permit requirements are met, and maintain operating and capital reserves.

BACKGROUND:

As part of the budget development process, the City develops an annual CIP and operating budget for the local wastewater and stormwater programs. These programs face many challenges, including fixed operating and maintenance costs, capital project costs that often inflate at rates higher than the Consumer Price Index, and costs to comply with Federal and State environmental mandates.

To meet these challenges, the City develops the CIP and operating budget, makes debt service payments, and sets reserve levels as established by the Council. This information is then used to determine annual funding requirements. Primary funding sources include wastewater and stormwater user fees (for operating and capital expenses), and system development charges (SDCs) for capital only expenses. In addition to local fees, the MWMC establishes regional wastewater charges to fund the Regional Wastewater Program.

The services the City provides are vital to economic development activity and the health and safety of local waterways and are important to Springfield residents. Ongoing survey results indicate that promoting economic development and maintaining a healthy environment and water quality are very important in Springfield. A brief description of the City’s local wastewater and stormwater programs is below:

Local Wastewater Program

The wastewater system serving Springfield has two components: (1) a local wastewater collection system owned and operated by the City, and (2) a regional conveyance, treatment and disposal system owned and operated by the MWMC. The local system is comprised of about 250 miles of collection pipelines and 16 pump stations. Operations and maintenance of the local collection system is funded entirely by revenue from local wastewater user fees. In addition, user fees are the primary source of funding for the City's CIP, which provides for system preservation, major rehabilitation, and expansion to support growth and development. Through previous rate actions, revenues for this program are stable, and current and projected CIP priorities have been programmed based upon moderate and incremental rate adjustments.

The update of the Wastewater Master Plan is in the final stages with the final draft complete and Council review and adoption consideration scheduled for June. The updated master plan identifies infrastructure improvements and system expansion to support growth within the Urban Growth Boundary (UGB) and meet mandated permit requirements. As part of the Wastewater Master Plan Update, a strategic financial plan was developed to evaluate existing funds and future revenue needs to fund the 20-year plan as well as ongoing Capacity, Management, Operations, and Maintenance (CMOM) Program capital needs. This strategic financial plan was used to develop the recommended rate increase for FY25.

Local Stormwater Program

Stormwater management services are an important part of the City's effort to improve water quality, protect aquatic habitat and recreational opportunities, and protect properties and infrastructure from flooding. The City's National Pollutant Discharge Elimination System (NPDES) Stormwater Permit and Council adopted Stormwater Management Plan implement Federal and State water quality standards and guide the delivery of stormwater services for the community. The City's storm drainage system includes about 190 miles of stormwater pipe, approximately 6,289 catch basins, 244 water quality facilities (including the Mill Race Stormwater Facility), and approximately 28.5 miles of surface vegetated waterways, which require ongoing inspection, maintenance, and vegetation control. In addition, 306 curb miles of street sweeping and leaf cleanup support surface stormwater quality activities that address permit compliance. Stormwater operations and maintenance services are funded entirely by revenue from the stormwater user fees. User fees are a primary source of funding for the maintenance, rehabilitation, and preservation of the City's stormwater capital infrastructure assets. The current and projected stormwater CIP program is based upon moderate and incremental rate adjustments.

PROPOSED LOCAL WASTEWATER AND STORMWATER USER FEE OPTIONS

Proposed FY 24-25 user fee options are discussed below for a residential monthly bill (assumes 6,684 units or 5,000 gallons of wastewater generated monthly for comparison with other communities). The *average* Springfield residential customer uses 4,300 gallons monthly. Note 5,000 gallons is used to normalize and compare with other communities. Options are presented for Council discussion and consideration.

Option 1: Combined Local Wastewater and Stormwater User Fee – 5.7% adjustment.

The table below displays the proposed combined rate adjustment as a percentage and dollar amount (\$2.35) for a residential monthly bill. The level of projected rate change for future years is also displayed. Option 1 fully funds existing system operations, maintenance, and regulatory obligations, as well as the Council approved CIP. This option also provides a more responsive forecast to the continued and projected decrease in wastewater volumes by users and positions the City to better mitigate revenue losses when significant system users make major modifications to their business practices. Option 1 considers the Engineering News-Record (ENR) Construction Cost Index (CCI) relative to inflation on construction materials and labor cost increases, which increased by an average of 2.6% in 2023, and 2.9% in the first four months of 2024. The ENR CCI rate of inflation is generally higher than the CPI inflation index and more closely aligns with the City's capital construction project costs.

Lastly, this option positions the City to better meet new requirements related to environmental permitting, including the existing Phase II General Stormwater permit and upcoming expected 2024 General permit. It also allows for a greater transfer to capital reserves over the 5-year period coinciding with the City's 5-year CIP, which may allow for deferral of future revenue bond issuance or loans that include financing interest expenses and additional cash reserve requirements over a 20-year term.

Fiscal Year	24-25 <i>Proposed</i>	25-26 <i>Projection</i>	26-27 <i>Projection</i>
Local Wastewater Services			
Monthly Residential Bill	\$ 28.78	\$ 30.33	\$ 31.43
Local Rate Adjustment	6.0%	5.0%	4.0%
Residential Increase	\$ 1.69	\$ 1.38	\$ 1.10
Stormwater Services			
Monthly Residential Bill	\$ 17.06	\$ 17.57	\$ 18.10
Local Rate Adjustment	3.5%	3.0%	3.0%
Residential Increase	\$ 0.66	\$ 0.51	\$ 0.53
Local Wastewater & Stormwater Combined			
Monthly Residential Bill	\$ 45.84	\$ 47.90	\$ 49.53
Rate Adjustments Combined	5.7%	4.0%	3.3%
Residential Rate Increase	\$ 2.35	\$ 1.89	\$ 1.63

Option 2 (Recommended): Combined Local Wastewater and Stormwater User Fee – 4.1% adjustment.

The table below displays the recommended combined rate adjustment as a percentage and dollar amount (\$1.82) for a residential monthly bill. The recommended rate changes represent the lowest responsible rate change, given the stormwater and wastewater permit regulatory requirements, ongoing operation, and maintenance of the systems, and current and planned capital project work.

Fiscal Year	24-25 <i>Proposed</i>	25-26 <i>Projection</i>	26-27 <i>Projection</i>
Local Wastewater Services			
Monthly Residential Bill	\$ 27.98	\$ 29.10	\$ 30.12
Local Rate Adjustment	5.0%	4.0%	3.5%
Residential Increase	\$ 1.33	\$ 1.12	\$ 1.02
Stormwater Services			
Monthly Residential Bill	\$ 16.97	\$ 17.56	\$ 18.17
Local Rate Adjustment	3.0%	3.0%	3.5%
Residential Increase	\$ 0.49	\$ 0.59	\$ 0.61
Local Wastewater & Stormwater Combined			
Monthly Residential Bill	\$ 44.95	\$ 46.66	\$ 48.29
Rate Adjustments Combined	4.1%	3.7%	3.4%
Residential Rate Increase	\$ 1.82	\$ 1.71	\$ 1.63

REGIONAL WASTEWATER USER FEES:

At the March 8, 2024, MWMC meeting, staff presented the Preliminary FY 24-25 Regional Wastewater Program Budget and Capital Improvement Program and the proposed regional wastewater user fee rates. Based on discussions and input provided by the Commission, staff returned to the Commission on April 12, 2024, for a public hearing where the Commission adopted resolutions recommending a 5.5% user fee adjustment in FY 24-25, and the Regional FY 24-25 Budget for ratification by the cities of Eugene and Springfield. The table below shows the adopted FY 24-25 regional wastewater user fees.

MWMC Regional Wastewater FY 24-25 Adopted Rates and Forecast

Fiscal Year	24-25 Adopted	25-26 Projection	26-27 Projection
Monthly Residential Bill ⁽¹⁾	\$ 31.91	\$ 33.11	\$ 34.35
Regional Rate Adjustment	5.5%	3.75%	3.75%
Residential Adjustment	\$ 1.66	\$ 1.20	\$ 1.24

⁽¹⁾ When applied to 6.684 billing units or 5,000 gallons

With the recommended Option 2 including a local wastewater rate adjustment of 5.0% (\$1.33/month), a proposed stormwater rate adjustment of 3.0% (\$0.49/month), and the MWMC adopted regional wastewater rate adjustment of 5.5% (\$1.66/month), the residential bill (assuming 6.684 units or 5,000 gallons of wastewater generated) would increase by \$3.48 monthly (assuming 5,000 gallons generated).

RECOMMENDED ACTION:

Staff has carefully considered the funding requirements associated with the proposed FY 24-25 budget and recommends Council consider a local wastewater rate adjustment of 5.0% and a stormwater rate adjustment of 3.0% (Option 2). If adopted, the proposed adjustments will provide sufficient revenues in FY 24-25 to continue to defer the need for future financing, maintain adequate debt service coverage, meet environmental regulations and permitting requirements, fund necessary capital improvements and system maintenance obligations, and provide quality services to existing customers and new development.

Staff requests Council’s consideration, comments, and direction on the proposed rate changes. The schedule of wastewater and stormwater fees, including the regional MWMC adopted rates for FY 24-25, will be reviewed and considered at the public hearing currently scheduled for May 6, 2024.

AGENDA ITEM SUMMARY**SPRINGFIELD
CITY COUNCIL****Meeting Date:** 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Katie Carroll / DPW
Staff Phone No: 541-726-3660
Estimated Time: 5 Minutes
Council Goals: Promote and Enhance our Hometown Feel while Focusing on Livability and Environmental Quality

ITEM TITLE: HOUSING DIVERSITY TAX EXEMPTION

ACTION REQUESTED: **Adopt / not adopt the following ordinance:**
AN ORDINANCE ADOPTING SPRINGFIELD MUNICIPAL CODE SECTIONS 3.550 THROUGH 3.558 TO ENACT A PROPERTY TAX EXEMPTION FOR MULTIPLE-UNIT HOUSING TO INCREASE HOUSING DIVERSITY, ADOPTING A SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE**If ordinance is adopted, adopt / not adopt the following resolution:**
A RESOLUTION ADOPTING PROGRAM GUIDELINES FOR THE HOUSING DIVERSITY TAX EXEMPTION TO IMPLEMENT SPRINGFIELD MUNICIPAL CODE SECTIONS 3.550 THROUGH 3.558

ISSUE STATEMENT: The City recognizes there is a need for more housing choice in the community and is working to address this need. One challenge Springfield faces is a lack of diversity in housing types available in the market. Several multiple-unit housing projects have been built in recent years, but Springfield still does not have sufficient housing to meet demand. Implementing a property tax exemption for multiple-unit housing could incentivize development of more diverse housing.

ATTACHMENTS: [1. HDTE Ordinance](#)
[Exhibit A- HDTE Code](#)
[2. HDTE Resolution](#)
[Exhibit A- HDTE Program Guidelines](#)

**DISCUSSION/
FINANCIAL
IMPACT:** The Council has been considering adoption of the Housing Diversity Tax Exemption “HDTE” (codified at ORS 307.600-637) since 2017 to incentivize development of more housing and greater housing diversity. The Council provided direction to staff on the design of the program through several work sessions.

At its April 15, 2024 meeting, Council amended the program to exempt parking for residents and commercial floorspace when it qualifies as a public benefit. Staff provided draft language to include these improvements in the HDTE. Council directed staff to include all suggested language, but to amend the program guidelines to make the parking exemption language clearer. Staff worked with the City Attorney’s Office to draft amendments (Exhibit A to Attachment 2). Council additionally directed staff to remove language from the ordinance repealing the Vertical Housing Tax Exemption “VHTE” Program. The Council will consider repeal of the VHTE at a later date.

A property tax exemption could impact the City’s property tax revenues by exempting qualifying residential multiple-unit projects from paying some property taxes for ten years. The purpose of the tax exemption is to incentivize construction of housing that would likely not otherwise be built, resulting in a long-term revenue gain by adding improvement value to the City’s property tax rolls.

CITY OF SPRINGFIELD, OREGON
ORDINANCE NO. _____ (GENERAL)

AN ORDINANCE ADOPTING SPRINGFIELD MUNICIPAL CODE SECTIONS 3.550 THROUGH 3.558 TO ENACT A PROPERTY TAX EXEMPTION FOR MULTIPLE-UNIT HOUSING TO INCREASE HOUSING DIVERSITY, ADOPTING A SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Springfield has a shortage of housing that is affordable and accessible to households of various incomes and sizes;

WHEREAS, the 2011 Residential Land and Housing Needs Analysis for the City of Springfield estimated that about 40 percent of new housing units needed to accommodate Springfield’s projected population growth from 2010 to 2030 would be multiple-unit housing;

WHEREAS, a 2018 report titled “Spurring multifamily housing development in Springfield, Oregon” prepared by LOCUS: Responsible Real Estate Developers and Investors found that only one multiple-unit housing project had been built in Springfield during the period from 2008 to 2018, and recommended that the City institute a multiple-unit property tax exemption to address barriers to the development of multiple-unit housing;

WHEREAS, in the past five years, more multiple-unit housing projects have been proposed and completed in Springfield than in the previous decade;

WHEREAS, according to the U.S. Census Bureau’s American Community Survey 5-year data, the share of housing in Springfield that is multiple-unit housing (5 or more units) has not increased during the last decade, and as of 2022 made up only 16 percent of the city’s housing units;

WHEREAS, new multiple-unit housing built in Springfield during the last decade has not kept pace with the estimated need outlined in the 2011 Residential Land and Housing Needs Analysis, resulting in a lack of housing diversity in Springfield;

WHEREAS, despite the incremental progress of past five years toward meeting Springfield’s multiple-unit housing needs, a changing market context, including high interest rates, high construction costs, and high land costs has made development more difficult without financial incentives such as tax exemptions;

WHEREAS, the Common Council has approved a Housing Strategy that identifies and implements various initiatives to help address the City’s unmet housing needs, including the need for greater housing diversity;

WHEREAS, ORS 307.600 through 307.637 enables cities to establish a program exempting multiple-unit housing meeting specified requirements from ad valorem real property taxes for up to ten years;

WHEREAS, the Common Council finds it in the public interest to adopt the multiple-unit property tax exemption as part of the City’s Housing Strategy to help the address the need for more multiple-unit

housing, particularly in core areas of the City and areas close to transit, in order to diversify the housing stock and increase the accessibility of housing;

WHEREAS, the Springfield City Council held a public hearing on March 4, 2024 in accordance with the requirements of ORS 307.606(3), and has determined that multiple-unit housing meeting the specifications of this ordinance as outlined in Exhibit A would not be built without the benefits provided by the multiple-unit tax exemption;

NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD ORDAINS AS FOLLOWS:

Section 1. Springfield Municipal Code sections 3.550 through 3.558 are hereby adopted as provided in Exhibit A, which is attached hereto and incorporated herein by reference.

Section 2. The tax exemption adopted in this Ordinance only applies to the tax levy of the City of Springfield, except that the exemption shall apply to the ad valorem property taxes of all taxing districts when the rates of ad valorem taxation of taxing districts whose governing boards adopt a resolution as provided in Section 3 herein, when combined with the rate of taxation of the City, equals 51 percent or more of the total combined rate of taxation levied on the property which is tax exempt under the provisions of this Ordinance.

Section 3. The Common Council hereby directs and authorizes the City Manager to request all other taxing districts whose boundaries include the property designated for tax exemption under this Ordinance, to approve by resolution of the taxing district’s governing body the policy of providing tax exemptions for multiple-unit housing as provided herein.

Section 4. Severability Clause. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion hereof.

Section 5. Effective Date. This ordinance shall become effective 30 days from the date of passage by City Council and approval by the Mayor.

ADOPTED by the Common Council of the City of Springfield this ___ day of _____, ____, by a vote of ____ for and ____ against.

APPROVED by the Mayor of the City of Springfield this _____ day of _____, ____.

Mayor

ATTEST:

City Recorder

CHAPTER 3 Public Improvements

HOUSING DIVERSITY TAX EXEMPTION

3.550 Housing Diversity Tax Exemption (HDTE) – State Statutes Adopted

The provisions of the Multiple Unit Property Tax Exemption (MUPTE) in ORS 307.600 through 307.637 are hereby adopted to stimulate the creation of multiple-unit housing through new construction, addition, or conversion in core and transit-supported areas of the City as designated in these sections 3.550 through 3.558.

3.552 Definitions

For the purposes of the Housing Diversity Tax Exemption code in sections 3.550 through 3.558, the following definitions apply. Where the definitions in this section conflict with a definition provided in ORS 307.603, the definition in this section will prevail. Unless specifically defined below or in ORS 307.603, words or phrases used in the Housing Diversity Tax Exemption code must be interpreted so as to give them the meaning they have in common usage.

Approval Authority. The individual or public body with authority to make a final decision on an application under the provisions of sections 3.550 through 3.558 of this code and the Program Guidelines: specifically, the City Manager or Council.

Multiple-Unit Housing. Newly constructed structures, stories, or other additions to existing structures and structures converted in whole or in part from other use to housing, where the structure has a minimum of five new dwelling units, excluding cottage clusters.

Program Guidelines. The standards and guidelines for this program as adopted by resolution of the Council.

Project. The proposed construction, addition, or conversion of multiple-unit housing for which applicant is applying for a tax exemption under this section.

Transient Lodging. As defined in section 7.700 of this code.

3.554 Application Criteria

(1) The Approval Authority may approve an application under this section if it finds that the project meets the following criteria:

- (a) The applicant has attended a pre-application meeting;
- (b) The applicant has site control at time of application;
- (c) The project is for multiple-unit housing that will add a minimum of five new dwelling units;
- (d) The project will be located within an eligible program area as shown in Figures 1 through 5 of this section;
- (e) The project will include public benefits that comply with the requirements of the program guidelines;
- (f) The project will be completed on or before the date specified in ORS 307.637;
- (g) At completion, project will conform to the requirements of the Springfield Comprehensive Plan, any applicable refinement plans or functional plans, and the Springfield Development Code, in effect at the time the application under this section is approved;
- (h) The project cannot be designed or used as transient lodging; and

(i) The project will conform with any additional criteria provided in the program guidelines.

Figure 1

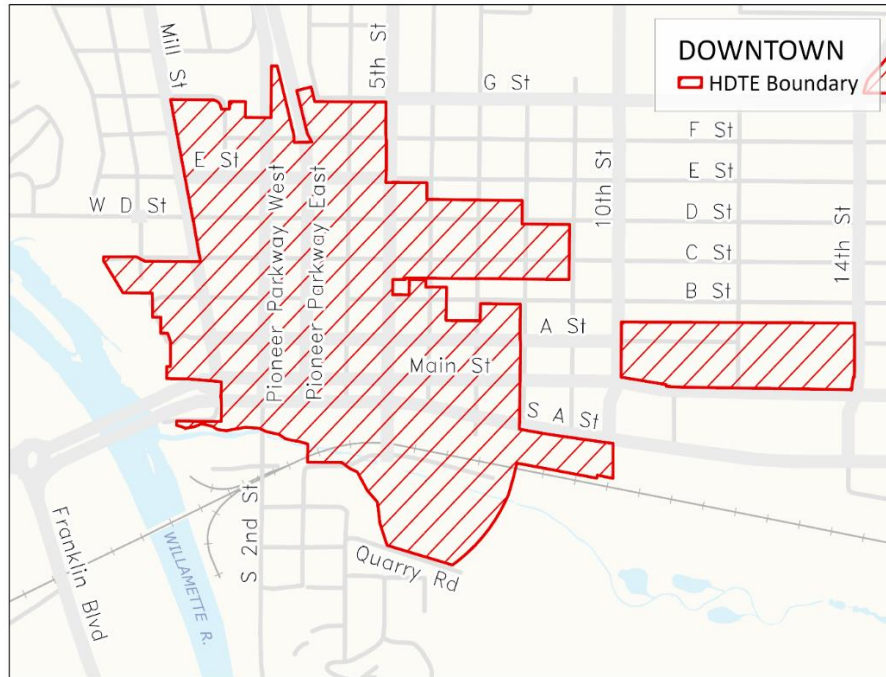


Figure 2

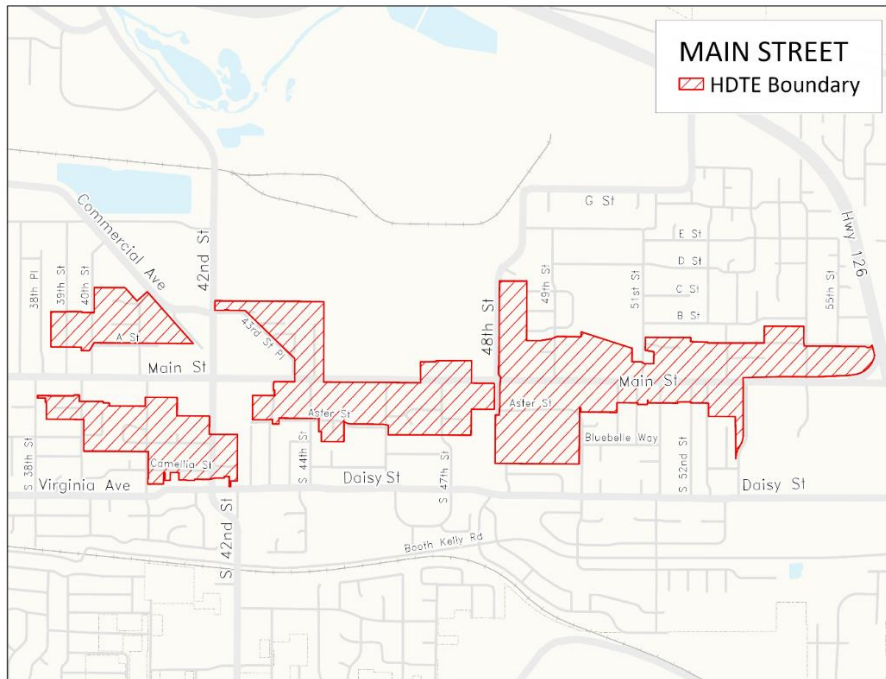


Figure 3

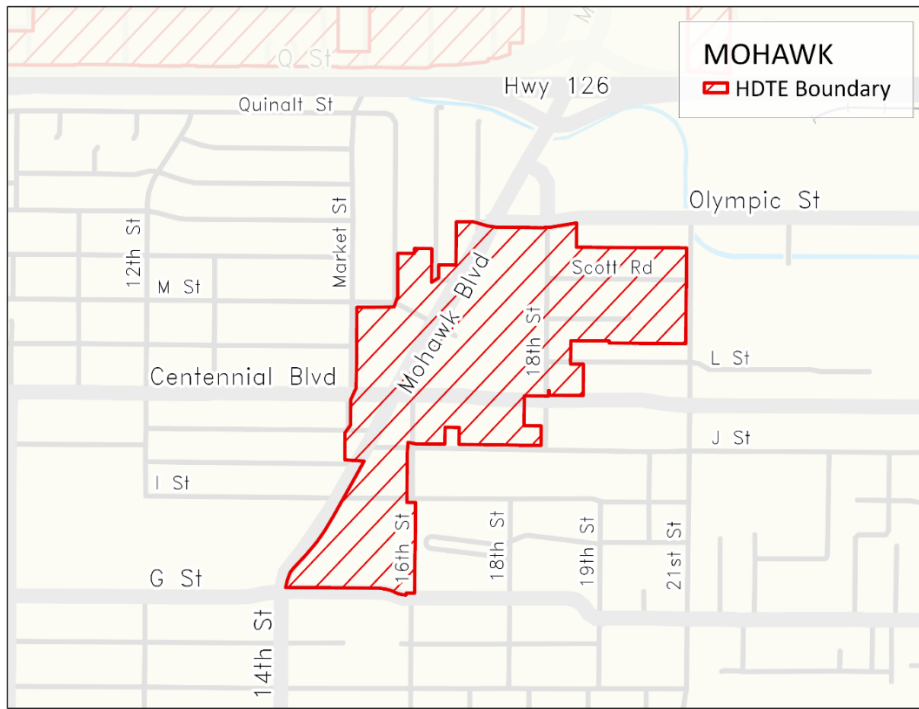


Figure 4

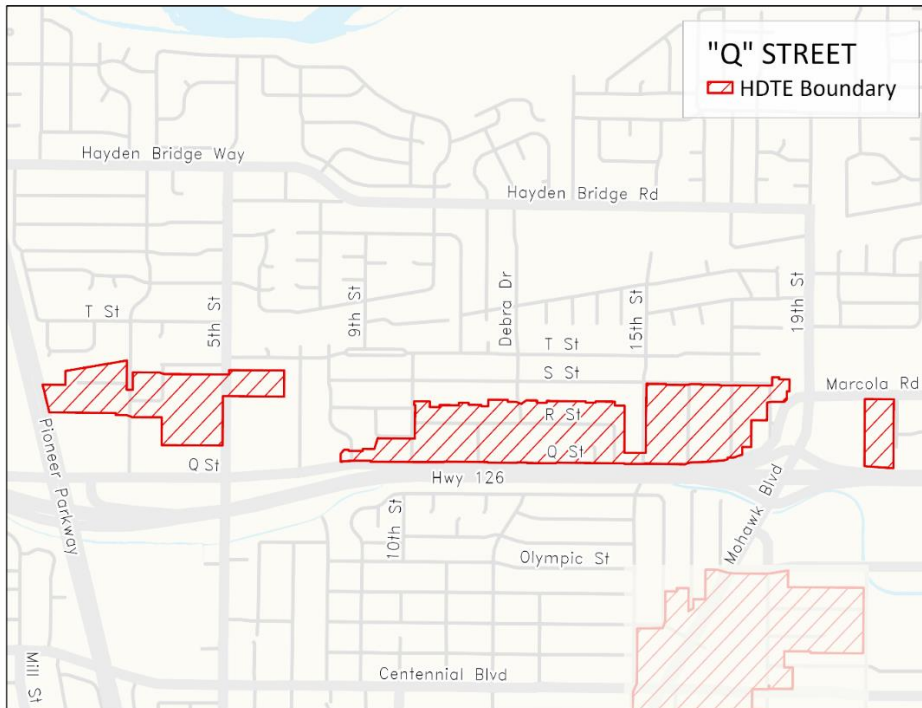


Figure 5



3.556 Application Review

- (1) Prior to submission of an application, the applicant must attend a pre-application meeting.
- (2) Applications must be submitted to the City Manager or designee as provided in ORS 307.615 and the program guidelines, on a form prescribed by the City Manager or designee. Complete applications must be submitted by February 1 immediately preceding the first assessment year for which the exemption is requested and must be accompanied by the application fee as established by Council resolution. Applications will not be considered complete until all required information and the application fee have been received.
- (3) The Approval Authority will review a complete application and make a final decision to approve, approve with conditions, or deny the application. An application not acted upon within 180 days of the date the complete application was received by the City will be deemed approved.
- (4) Following approval or denial of an application, the City will provide notice to the applicant and Lane County Assessor as provided in ORS 307.621.

3.558 Exemption

- (1) Multiple-unit housing that is granted an exemption under sections 3.550 through 3.558 and ORS 307.600 through 307.637 will be exempt from ad valorem taxation for 10 successive years. The first year of exemption is the assessment year beginning January 1 immediately following the calendar year in which construction, addition, or conversion is completed, as determined by that stage in the construction process when, pursuant to ORS 307.330, the improvement would have gone on the tax rolls in the absence of the exemption.

(2) The exemption does not include the land or any improvements which are not part of the multiple-unit housing included in the project, except as specifically allowed herein. In the case of a structure to which stories or other improvements are added or a structure is converted in whole or in part from another use to dwelling units, only the increase in value attributable to the addition of or conversion to dwelling units for the project may be exempt from taxation. The exemption includes parking constructed for the multiple-unit housing construction, addition or conversion. The exemption includes commercial property to the extent that the commercial property is determined to be a public benefit element of a multiple-unit housing construction, addition, or conversion by the Approval Authority. Exemptions run with the property and will continue if the property is sold during its exemption period.

(3) At any time, the Council may, by resolution, set a limit on the maximum amount of foregone tax revenue provided as a benefit of the exemption under this section. Provided, however, the maximum amount of foregone tax revenue shall not apply to any decrease or limit the amount of any exemption that was approved before the date a resolution is adopted under this subsection. The authority provided under this subsection includes the authority to adopt a resolution at any time to amend or repeal a limit on the maximum amount of foregone tax revenue previously adopted under this subsection.

**CITY OF SPRINGFIELD, OREGON
RESOLUTION NO. _____**

**A RESOLUTION ADOPTING PROGRAM GUIDELINES FOR THE HOUSING DIVERSITY TAX
EXEMPTION TO IMPLEMENT SPRINGFIELD MUNICIPAL CODE SECTIONS 3.550 THROUGH
3.558**

WHEREAS, the City of Springfield has a shortage of housing that is affordable and accessible to households of various incomes and sizes;

WHEREAS, the City of Springfield has developed a Housing Strategy that identifies and implements initiatives to help address the City’s unmet housing needs, including the need for more housing diversity;

WHEREAS, ORS 307.600 through 307.637 enables cities to establish a program exempting multiple-unit housing meeting specified requirements from ad valorem real property taxes for up to ten years;

WHEREAS, the Common Council has found it in the public interest to adopt a multiple-unit property tax exemption as part of the City’s Housing Strategy to help address the need for more diverse housing in Springfield;

WHEREAS, the Springfield City Council adopted Ordinance [REDACTED], which adopts Springfield Municipal Code (SMC) sections 3.550 through 3.558, establishing an ad valorem real property tax exemption program pursuant to ORS 307.600 through 307.637;

WHEREAS, ORS 307.606(4) requires that prior to accepting applications for exemptions under the program, the City must promulgate standards and guidelines to use in reviewing and granting approvals of applications, and SMC 3.552 provides for these Program Guidelines to be adopted by Resolution of the Common Council; and

WHEREAS, the Program Guidelines, attached as Exhibit A and incorporated herein by reference, provide the process to be followed by the City in reviewing and granting tax exemptions for multiple-unit housing under this program,

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD:

Section 1: The Program Guidelines for processing applications for the Housing Diversity Tax Exemption, attached as Exhibit A hereto, are approved and adopted as the procedures to be followed in considering applications for exemption, and the policy contained therein is declared to be the policy of the City of Springfield governing the basic requirements for the program.

Section 2: This Resolution will take effect upon the effective date of Ordinance [REDACTED], An Ordinance Adopting Springfield Municipal Code Sections 3.550 through 3.558 to Enact a Property Tax Exemption For Multiple-unit Housing to Increase Housing Diversity, Adopting a Severability Clause, and Providing an Effective Date.

ADOPTED by the Common Council of the City of Springfield this ____ day of _____, _____, by a vote of _____ for and _____ against.

ATTEST:

City Recorder

Housing Diversity Tax Exemption - City of Springfield

Program Guidelines

The following standards and guidelines expand on program requirements articulated in the Springfield Municipal Code (SMC) sections 3.550-3.558, and in ORS 307.600-637. Prospective applicants should review both the code requirements and these guidelines before applying.

Purpose

Property tax exemptions are one tool available to incentivize an increase to the supply and diversity of housing. The Housing Diversity Tax Exemption (HDTE) program adopts the Oregon Multiple Unit Property Tax Exemption (MUPTE) for approved housing projects in designated areas of Springfield. The program, enabled by state law, encourages development of new multiple-unit housing in transit-supported and core areas of Springfield by reducing the operating costs for qualified projects during their first several years of operation. Housing made available for rental or sale of individual units is eligible for the exemption. Applicants intending to build multiple-unit low-income rental housing projects may be better served by the Low Income Rental Housing Property Tax Exemption (see SMC 3.500 through 3.508).

Exemption

Applicants building multiple-unit housing that meets the definition in SMC 3.552 can apply to receive an exemption of property taxes for a period of ten (10) successive years on new residential improvements if program requirements are met.

Onsite parking improvements are exempted if:

- (i) The parking is constructed at the same time as the multiple-unit housing construction, addition, or conversion; and
- (ii) The parking will be for residents of the multiple-unit housing.

Parking that pre-dates the multiple-unit housing project or parking that is exclusively for commercial tenants and patrons is not exempt. The applicant must demonstrate that the parking will be available to residents. For example, the application may include a parking management plan, a site plan showing location of resident parking and any associated signage, or an operating plan detailing leasing of parking spaces to residents of the multiple-unit housing.

Ground floor commercial uses fronting on either side of Main Street between 38th Street and Bob Straub Parkway are exempt if they meet the public benefit requirement for Commercial Space listed under OPTION 1 of these program guidelines.

Ground floor commercial uses within a mixed-use building with at least five dwelling units are exempt if determined to be a public benefit by the Approval Authority under OPTION 3 of these program guidelines.

Eligibility Criteria

To be eligible for the exemption, applicants must meet the following minimum criteria:



- Applicant has attended a pre-application meeting
- Applicant controls (owns or has proof of future ownership) of project site at time of application
- The project site is within the city limits
- Project will add a minimum of five new dwelling units and meet the definition of “Multiple-Unit Housing” in SMC section 3.552
- Project site is located within an eligible program area as shown in SMC section 3.554
- Project will provide public benefits as outlined in these program guidelines
- The construction of the project for which the exemption is sought will be completed on or before the date specified in ORS 307.637
- At completion, the project will conform to the requirements of the Springfield Comprehensive Plan, any applicable refinement plans or functional plans, and the Springfield Development Code, in effect at the time the application for this tax exemption is approved
- Project must comply with the Springfield Development Code and not rely on any type of statutory exemption or exception
- Applicants receiving system development charge (SDC) payment assistance from the Springfield Economic Development Agency (SEDA) are not eligible for the tax exemption unless the project will have a height of four or more stories upon completion (includes projects that have ground-floor commercial)
- Projects on properties abutting Main Street between 38th Street and Bob Straub Parkway may not include any ground floor residential in buildings fronting Main Street.
- Projects granted the exemption cannot be designed or used as transient lodging, including but not limited to hotels, motels, Airbnbs, VRBOs, and Short Term Rentals
- **Projects for which the applicant has already applied for a building permit are not eligible for the exemption**

Application

A complete application must be filed on or before February 1 for consideration of an exemption beginning July 1 of the following assessment year. Any application which does not contain all required information and/or the required fee shall be returned and considered not filed. The City reserves the right to request additional materials from the applicant during its review.

At a minimum, the application must contain:

- Explanation of why the applicant is requesting the exemption
- Preliminary site plans showing major features, including public benefits, as applicable
- Legal description of the property
- Proof of ownership/site control
- Project design elements and planned façade materials
- Description of existing use of the property
- Justification of the elimination of any existing sound or rehabilitable housing or businesses on the project site



- Proposed number of housing units, including a breakdown of the number of units by unit size
- Description and preliminary proof of the public benefits to be provided
- Description of parking and preliminary proof that parking will be available to residents of the multiple-unit housing if applicant is seeking to include in exemption

An application fee will be charged at the time of application and should be made payable to the City of Springfield. Application fees cover the City's costs for processing the application. If an application is denied, the City will not refund the fee. The Lane County Assessor will collect a separate fee for approved applications to cover its costs for processing the tax exemption.

Review Process

1. Before submitting an application, the applicant must attend a pre-application meeting to discuss their plans for meeting the requirements of the program, including provision of public benefits.
2. A complete application must be submitted by February 1 immediately preceding the first assessment year for which the exemption is requested. Applications are accepted on a rolling basis, but applicants are encouraged to coordinate timing with the project's development applications. Applicants should bear in mind the Lane County Assessor's assessment date when determining application timing. Tax exemptions will not begin until a project is complete and assessed at its completed value. Applicants may wish to consult with the Lane County Assessor for additional information.
3. The City Manager or designee will be the Approval Authority for applications applying for approval under public benefit **OPTION 1 or OPTION 2** and will rule on the application within one hundred and eighty days (180) of the City's receipt of a complete application. Review may require a follow-up meeting with the applicant to clarify or request additional application materials.

The Council will be the Approval Authority for applications applying for approval under public benefit **OPTION 3**. The City Manager or designee will review applications applying for approval under public benefit **OPTION 3** and forward a recommendation to the Council to approve, approve with conditions, or deny the application. Review may require a follow-up meeting with the applicant to clarify or request additional application materials. The Council will rule on the application within one hundred and eighty days (180) of the City's receipt of a complete application. The Council may approve, approve with conditions, or deny the application. The Council may hold a public hearing on the application at its discretion. Final action by the Council shall be by resolution.

Applications not acted upon within 180 days of receipt of complete application are deemed approved. Following approval or denial of an application, the City will provide notice to the applicant and Lane County Assessor as provided in ORS 307.621.



Prior to issuance of the Certificate of Occupancy, the applicant may be required to record one or more restrictions or other covenants pertaining to the property that reflects any requirements or conditions required in the application approval.

4. The City may require the applicant to provide verification of the project’s public benefits and proof that parking will be available to residents before issuing the Building Permit and/or Certificate of Occupancy.
5. For approved projects, the City Manager or designee may require submission of an annual report during the exemption period to verify the continuation of public benefits and continued conformance with other eligibility requirements. The project owner will be required to allow on-site inspections for the purposes of verifying that the project remains in compliance with its eligibility requirements.

Public Benefits

In exchange for granting the property tax exemption, the City requires applicants to include public benefits as part of the project. There are three options applicants can choose between to meet the public benefit requirement for the program.

OPTION 1: Clear and Objective Criteria

The applicant may pick public benefits from the list below to include in the project. The applicant may include two (2) public benefits if at least one benefit is a List A item. The applicant must include three (3) public benefits if all proposed benefits are List B items. These benefits must be in addition to any land use or building code requirements. The timing of City verification is at the discretion of the City. **The City Manager or designee will be the Approval Authority for applications applying under OPTION 1.**

Benefit	List A	List B
Amenities Supporting Bicyclists and Pedestrians	Provide at least one element from the following list: <ul style="list-style-type: none"> • Raised or signalized pedestrian crossing in excess of any requirements and as approved by the Community Development Department • Street lighting in excess of any requirements (one or more) • Create new sidewalk connections in excess of any requirements (100 feet or more of block length) • Convert existing curbside sidewalk to setback sidewalk in excess of any requirements (100 feet or more of block length) 	Provide at least one element from the following list: <ul style="list-style-type: none"> • Striping and signage for pedestrian crossing in excess of any requirements and as approved by the Community Development Department • Create new sidewalk connections in excess of any requirements (50 feet to 99 feet of block length) • Convert existing curbside sidewalk to setback sidewalk in excess of any requirements (50 feet to 99 feet of block length)



	Applicant must show on site plan at application and include letter of support from the Community Development Department. City to verify prior to issuance of building permit and/or certificate of occupancy.	
Units Accessible to a Range of Household Sizes		Project provides a mix of unit sizes. To qualify, must provide at least three different unit sizes. At least 10% of the total number of units must be allocated to each of the three unit sizes. Unit sizes include: live/work ¹ , studio, 1 bed, 2 bed, 3 bed, etc. (Round up decimals to the nearest whole number)
	Applicant must state plan for providing in application. City will verify during building plan review and at certificate of occupancy.	
Affordable Housing	At least 20% of units (only available for 6+ unit projects) are reserved for households with low incomes (at or below 80% AMI) for the duration of the exemption through: <ul style="list-style-type: none"> • Master lease with non-profit; OR • Housing Choice Voucher; OR • Similar housing subsidy program (Round up decimals to the nearest whole number)	At least 10% of units are reserved for households with low incomes (at or below 80% AMI) for the duration of the exemption through: <ul style="list-style-type: none"> • Master lease with non-profit; OR • Housing Choice Voucher; OR • Similar housing subsidy program (Round up decimals to the nearest whole number)
	Applicant must state plan for providing affordable units and include letter of support from sponsoring agency as applicable. Prior to issuance of certificate of occupancy and annually, must submit verification letter, including letter of confirmation from entity issuing vouchers/leases.	
Amenities Supporting Mass Transit Use	Provide at least one element from the following list: <ul style="list-style-type: none"> • Create new sidewalk to provide connection to a nearby bus stop location in excess of any requirements (100 feet or more of block length) • Installation of bus shelter or enhancement of existing bus shelter 	Provide at least one element from the following list: <ul style="list-style-type: none"> • Create new sidewalk to provide connection to a nearby bus stop location in excess of any requirements (50 feet to 99 feet of block length) • Installation and maintenance of trash receptacle at bus stop for duration of exemption
	Applicant must show on site plan at application and include letter of support from the Community Development Department and/or Lane Transit District (LTD) as applicable. City to verify prior to certificate of occupancy.	
Dedication of Land or Easement for Public Purpose	Dedication or easement to a public agency on the project site which is not otherwise required, but which serves as a public benefit. Examples of dedications/easements that may be acceptable include: pedestrian or bike access path, park space, utility easements.	
	Applicant must show planned location on site plan and submit a letter of support from the public agency verifying the dedication is sufficient. City to verify legal documentation of easement or dedication prior to certificate of occupancy.	

¹ Live/work unit is a dwelling unit or sleeping unit in which a significant portion of the space includes a nonresidential use that is operated by the tenant (OSSC 202.1).



EV and Micro-mobility Charging	Provide Electric Vehicle (EV) charging stations for a minimum of 40% of parking spaces, and a minimum of 2 EV charging stations. Stations may be limited to residents. (Round up decimals to the nearest whole number)	Provide micro-mobility charging stations with locking which are accessible to the public. A minimum of 1 space for every 5 units is required with a maximum of 5 spaces required. (Round up decimals to the nearest whole number)
	Applicant must show on site plan at application. City to verify at building permit and/or prior to certificate of occupancy. Must annually submit report verifying still in use.	
Offsite ADA Accessibility	Create ADA accessible path from front entrance of building to nearest transit stop in excess of any requirements. This could include curb improvements and/or sidewalk panel replacement.	Replace existing broken or deteriorated sidewalk to help make ADA connections offsite for a minimum of one block face in excess of any requirements.
	Applicant must show on site plan at application and include letter of support from the Community Development Department. City to verify prior to certificate of occupancy.	
Accessible Units ²		Where Type A units are required, increase accessibility to fully accessible ADA units; AND where Type B units are required, increase accessibility of at least 60% of Type B units to Type A units. A maximum of 20 Type B units must be upgraded to Type A units to meet this requirement. For projects with different unit sizes (1 bed, 2 bed, etc.), at least one unit of each unit size must be upgraded from Type B to Type A (where applicable).
	Applicant must explain plan for meeting requirement. City will verify during building plan review and prior to certificate of occupancy.	
Child Care Center ³	Provide Child Care Center onsite. The center may be limited to residents or open more broadly. The applicant must demonstrate how the center will be provided for the duration of the exemption.	
	Applicant must show location of child care center on site and building plans and demonstrate that code requirements for facility are met. Applicant should identify the care provider if available. City to verify prior to certificate of occupancy. Must annually submit copy of certification of child care center.	
Energy Efficiency/Green Building	Project will comply with one of the following certification programs: <ul style="list-style-type: none"> • Energy Trust New Building Path to Net Zero • LEED Platinum • Earth Advantage Platinum or higher • Similar energy certification (applicant will be required to justify) 	Project will comply with one of the following certification programs: <ul style="list-style-type: none"> • Energy Trust of Oregon New Building Whole Building • Energy Trust Multifamily Market Solutions Best • LEED Silver or higher • Earth Advantage Silver or higher

² The terms Type A and Type B are defined in the Oregon Structural Specialty Code.

³ Child care center is defined in ORS 329A.440.



	<p>how program is similar to one of the above)</p>	<ul style="list-style-type: none"> Similar energy certification (applicant will be required to justify how program is similar to one of the above)
<p>Applicant must show some level of coordination with the certifying agency in application. City to verify prior to issuance of building permit and/or certificate of occupancy.</p>		
Development or Redevelopment of Underutilized Property	<p>Project meets all of the following criteria:</p> <ul style="list-style-type: none"> Aggregate development site is at least 0.5 acre. Project will increase residential density to at least 40% above minimum density requirement for the site <i>or</i> 40% above current density, whichever is greater. Projects that hit maximum allowable density also qualify. Project must not permanently displace any existing residents or businesses. 	<p>Project meets all of the following criteria:</p> <ul style="list-style-type: none"> Aggregate development site is at least 0.25 acre. Project will increase residential density to at least 40% above minimum density requirement for the site <i>or</i> 40% above current density, whichever is greater. Projects that hit maximum allowable density also qualify. Project must not permanently displace any existing residents or businesses.
<p>Applicant must demonstrate how requirement is met in application. If there are existing residents or businesses that are temporarily displaced, applicant must demonstrate how they will provide for return of those residents/businesses after completion of project. Within six months of the project's completion, owner must demonstrate that displaced residents or businesses are back on site or have voluntarily decided to not return.</p>		
Community Spaces		<p>Project includes at least one of the following community spaces which will be open to the public free of charge for at least 30 hours per week for the duration of the exemption.</p> <ul style="list-style-type: none"> Community garden with seating Public plaza or park with seating Common meeting rooms (can be open to public by reservation) Rooftop gardens with seating Playground Facilities for cultural groups, youths, or seniors
<p>Applicant must show facility on site plan and explain how facility will meet requirements for public access. City to verify prior to certificate of occupancy. Must annually submit report verifying still in use.</p>		
Moderate Income Rental Housing	<p>At least 30% of units are reserved at prices affordable to households with moderate incomes (at or below 100% AMI) for the duration of the exemption. Required maximum rent levels to be calculated annually by City.</p> <p>(Round up decimals to the nearest whole number)</p>	<p>At least 15% of units are reserved at prices affordable to households with moderate incomes (at or below 100% AMI) for the duration of the exemption. Required maximum rent levels to be calculated annually by City.</p> <p>(Round up decimals to the nearest whole number)</p>



	Applicant must complete moderate income housing worksheet with application and submit proposed rental prices. Prior to issuance of certificate of occupancy and annually, must submit rent rolls to verify moderate income units.	
Ground Floor Commercial Space	Provide ground floor commercial space fronting on Main Street between 38 th Street and Bob Straub Parkway. The commercial space must be in a mixed-use building that includes at least 5 dwelling units above the ground floor.	
	Where multiple buildings in a project meet this definition, the applicant may only count this as one required public benefit.	
	Applicant must show ground floor commercial space on site and building plans and demonstrate that code requirements are met. City to verify prior to building permit and/or certificate of occupancy. Must annually submit report verifying space still in a commercial use.	

OPTION 2: Fee-in-Lieu for ADA Accessibility

The applicant may pay a fee in lieu of including a public benefit in the project which will be dedicated to completing infrastructure projects in HDTE program areas that increase ADA accessibility for the community.

The fee will be 10% of the total HDTE tax exemption. Project owners can pay the fee annually during years three through ten of the exemption or may pay upfront with a 5% discount. **The City Manager or designee will be the Approval Authority for applications applying under OPTION 2.**

OPTION 3: Council Proposal

The applicant may choose to propose one or more public benefits to include in the project which do not meet the clear and objective criteria listed under OPTION 1. These benefits may be of a similar nature to those listed under OPTION 1 or may be other public benefits that are consistent with ORS 307.600 through 307.637.

The burden is on the applicant to explain how the benefit(s) they have proposed meet the program’s requirements. The City reserves the right to exercise discretion in determining whether the proposed public benefits are appropriate for the site and if program requirements have been sufficiently met.

The applicant must explain how the proposed benefit(s) further adopted City policies (if any) and demonstrate how they will certify to the City that the public benefit is included in the project. If any other public agencies will be impacted, the applicant should include a letter of support for the benefit from the relevant agency. In most cases, proposed benefit(s) should go above and beyond development requirements. Exceptions should be rare and require justification from the applicant. **The Council will be the Approval Authority for applications applying under OPTION 3.**

Examples of public benefits an applicant may wish to propose include:



- **Accessibility Features:** This may include dwelling units and/or communities designed to allow for aging in place and/or to meet mobility needs. It could also include other accessibility retrofits and upgrades not otherwise required by code.
- **Community Spaces:** Community spaces are locations where people can gather and spend ample time building community. This may include recreation facilities or other community-serving facilities. These may be limited to residents or paying customers if Council finds the proposal provides a sufficient public benefit.
- **Disaster Resiliency:** This may include building to an acceptable above-minimum seismic code standard, building to an acceptable flood standard within the 42nd Street levee impact area, including resilient community spaces (e.g. warming/cooling or cleaner air spaces, emergency food and water supplies), or including emergency shelter space.
- **Extra Costs Associated with Infill and Redevelopment:** This may include development costs that go well beyond the regular cost of development, such as brownfield site remediation, high costs for offsite construction staging, or significant installation or replacement of infrastructure. The applicant should demonstrate the additional cost and include a comparative basis to show how the costs go beyond typical development costs.
- **Energy Efficiency and Green Building:** This may include features such as a significant portion of the building's energy being provided by renewable energy, reuse of grey water, green roofs, and other similar features.
- **Tenant amenities:** This may include features such as broadband internet connection, and in-unit A/C.
- **Innovative Material Use/Re-Use:** This may include preservation of a building shell or façade of an existing significant or historic building. It could also include significant use of innovative construction materials or techniques such as mass timber, 3D printing, or straw bales.
- **Public Art:** Public art may include the installation of sculptures, murals, or other forms of public art. It may also include galleries or performance venues.
- **Special Architectural Features:** Special architectural features could include extraordinary material use, outstanding architectural design, restoration of missing historical features based on photographic evidence, or similar.
- **Structured Parking:** This may include providing parking in a structure or as tuck-under parking to address parking needs while helping to create a dense urban form.

The criteria used by Council to weigh public benefits proposed under OPTION 3 are:

- The proposed public benefit(s) will provide a benefit to the public which is proportional to the exemption requested; and
- The public benefit(s) goes above and beyond development requirements, or the applicant has made a compelling argument for an exception; and
- The public benefit(s) will extend for at least the duration of exemption; and
- The public benefit(s) will be included as part of the construction of the project; and
- Staff will be able to verify on-going compliance without notable increase to workload.

Monitoring



After a project is approved for the exemption, the project owner must continue to comply with program requirements for the duration of the exemption. The owner of a property receiving the HDTE may be required to submit a report annually to the City and must allow on-site inspections verifying the continuation of all conditions of approval, including public benefits. The City or Lane County Assessor may conduct additional monitoring of projects granted the exemption as needed, including following the sale of a project participating in the program which is still within its exemption period.

The City Manager or designee shall submit an annual report to Council summarizing the status and fiscal impact of all approved projects within an exemption period.

Termination

If the City finds that construction of multiple-unit housing was not completed on or before the date specified in these guidelines, or that any provision of ORS 307.600-637, SMC section 3.550-558, or the program guidelines are not being met, or any condition of approval is not being or has not been complied with, the City shall give notice to the property owner and any known lender of the proposed termination of the exemption. The notice shall list the reasons for termination and require the project owner to appear at a time specified by the City (not less than 20 days after mailing the notice) to show cause, if any, why the exemption should not be terminated. For additional guidance on termination of an exemption, refer to ORS 307.627, and ORS 307.631.

Extension

If the City finds that, due to circumstances beyond the control of an owner who is acting in good faith, the multiple-unit housing cannot be completed by the date specified in these guidelines, it may grant an extension of up to one year for completion of construction.

Changes to a Project

Following a project's approval for exemption, the applicant may need to make changes to the project from what was approved due to materials availability, land use requirements, or other unforeseen circumstances. Before making changes, the applicant must contact the City to determine if the changes can be approved. Changes to a project that relate to specific conditions upon which the approval of the application is based will require a new application and approval.

Additional Requirements

The City may choose to apply additional regulations or requirements on applications at any time. The City may choose to alter or eliminate the tax exemption program at any time. Applications that have been approved before program changes are made will continue under the program guidelines in effect at their time of acceptance.



AGENDA ITEM SUMMARY

Meeting Date: 5/06/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Matt Stouder/DPW
Staff Phone No: 541-736-1006
Estimated Time: 10 Minutes
Council Goals: Provide Financially Responsible and Innovative Government Services

**SPRINGFIELD
CITY COUNCIL**

ITEM TITLE: RATIFICATION OF THE METROPOLITAN WASTEWATER MANAGEMENT COMMISSION (MWMC) FY 2024-25 REGIONAL WASTEWATER PROGRAM BUDGET AND CAPITAL IMPROVEMENT PROGRAM (CIP).

ACTION REQUESTED: Adopt a motion ratifying the FY 2024-25 Regional Wastewater Program Budget and Capital Improvement Program (CIP).

ISSUE STATEMENT: As provided for in the MWMC Intergovernmental Agreement (IGA), the City of Springfield, the City of Eugene, and Lane County, as governing bodies, must ratify the annual MWMC Budget and Capital Improvement Program.

ATTACHMENTS: 1. [The Regional Wastewater Program Budget and Capital Improvement Program \(CIP\) for FY 2024-25, as approved by the MWMC](#)

**DISCUSSION/
FINANCIAL
IMPACT:** The FY 2024-25 (FY 24-25) Regional Wastewater (RWP) Budget and CIP document was approved by the MWMC on April 12, 2024. The MWMC convened three work sessions and a public hearing prior to taking action to adopt the FY 24-25 MWMC Budget and CIP. The FY 24-25 Budget funds all operations, administrative services, and capital projects planned for the Regional Wastewater Facilities. The approved operating budget is \$25.3 million, reflecting an increase of 5.9% (\$1.4 million) in FY 24-25, when compared to the prior year.

The CIP outlines the capital projects planned for the next five years. The FY 24-25 RWP Budget and CIP reflect a continued focus on facilities upgrades, plant performance improvements, new permit requirements, and operations and maintenance activities to provide regional wastewater treatment for a growing community in a manner that protects the public's health, safety, and the environment.

In accordance with the IGA, the MWMC contracts with the City of Eugene for operations and maintenance services, and with the City of Springfield for administrative services. The budget document (Attachment 1) provides RWP and budget summaries as well as detailed budgets for services provided by Eugene and Springfield. The budget also provides information about how RWP activities are driven by the MWMC's established goals and performance measures. The Commission took a corresponding action to adopt a 5.5% adjustment in regional wastewater user charges to fully fund the Budget and CIP.

On May 6, 2024, the City Council will hold a public hearing on the FY 24-25 regional rates. Following the public hearing, Council is scheduled to adopt a resolution to set the FY 24-25 regional user fee rates within the City of Springfield.

The FY 24-25 RWP Budget and CIP must be approved by the MWMC and ratified by Lane County and the cities of Eugene and Springfield, and then finally adopted by the MWMC prior to the beginning of the next fiscal year (July 1, 2024). The Springfield City Council is scheduled to ratify the MWMC Budget and CIP on May 6, 2024. The Eugene City Council and Lane County Board of Commissioners are scheduled to ratify on May 13 and May 14, 2024, respectively. The MWMC final budget adoption will occur on June 14, 2024.

Preliminary Regional Wastewater Program Budget and Capital Improvements Program



Metropolitan Wastewater
MANAGEMENT COMMISSION



partners in wastewater management

Fiscal Year 2024-2025

REGIONAL WASTEWATER PROGRAM BUDGET and CAPITAL IMPROVEMENTS PROGRAM Fiscal Year 2024-25


The Metropolitan Wastewater Management Commission is scheduled to adopt the Operating Budget and Capital Improvements Program (CIP) for FY 24-25 on April 12, 2024. The Budget and CIP is scheduled to be ratified by the Springfield City Council on May 6, 2024, the Eugene City Council on May 13, 2024, and the Lane County Board of Commissioners on May 14, 2024. The Commission will give final ratification of the Budget and CIP on June 14, 2024.

COMMISSION MEMBERS:

Jennifer Yeh, President (Eugene)
TBD, Vice President (TBD)
Joe Pishioneri, (Springfield)
Pat Farr, (Lane County)
Doug Keeler, (Springfield)
Peter Ruffier, (Eugene)
Christopher Hazen, (Eugene)
Bill Inge, (Lane County)

STAFF:

Matthew Stouder, MWMC Executive Officer/General Manager
Michelle Miranda, Wastewater Director
Nathan Bell, MWMC Finance Officer

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METROPOLITAN WASTEWATER MANAGEMENT COMMISSION
FY 2024-25 BUDGET AND CAPITAL IMPROVEMENTS PROGRAM
for the
REGIONAL WASTEWATER PROGRAM

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INTRODUCTION

INTRODUCTION

The MWMC was formed by the cities of Eugene, Springfield, and Lane County through an intergovernmental agreement (IGA) in 1977 to provide wastewater collection and treatment services for the Eugene-Springfield metropolitan area. The seven-member Commission, appointed by the City Councils of Eugene and Springfield and the Lane County Board of Commissioners, is responsible for oversight of the Regional Wastewater Program. Since 1983, the Commission has contracted with the cities of Springfield and Eugene to provide all staffing and services necessary to maintain and support the Regional Wastewater Program.

The MWMC has been providing high-quality wastewater services to the metropolitan area for 47 years. The service area for the MWMC consists of approximately 250,000 customers, including 82,000 residential and commercial accounts. The MWMC is committed to clean water, the community's health, the local environment, and to providing high quality services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs.

Mission: To protect our community's health and the environment by providing high-quality wastewater services to the Eugene-Springfield metropolitan area in partnership with Eugene, Springfield, and Lane County.

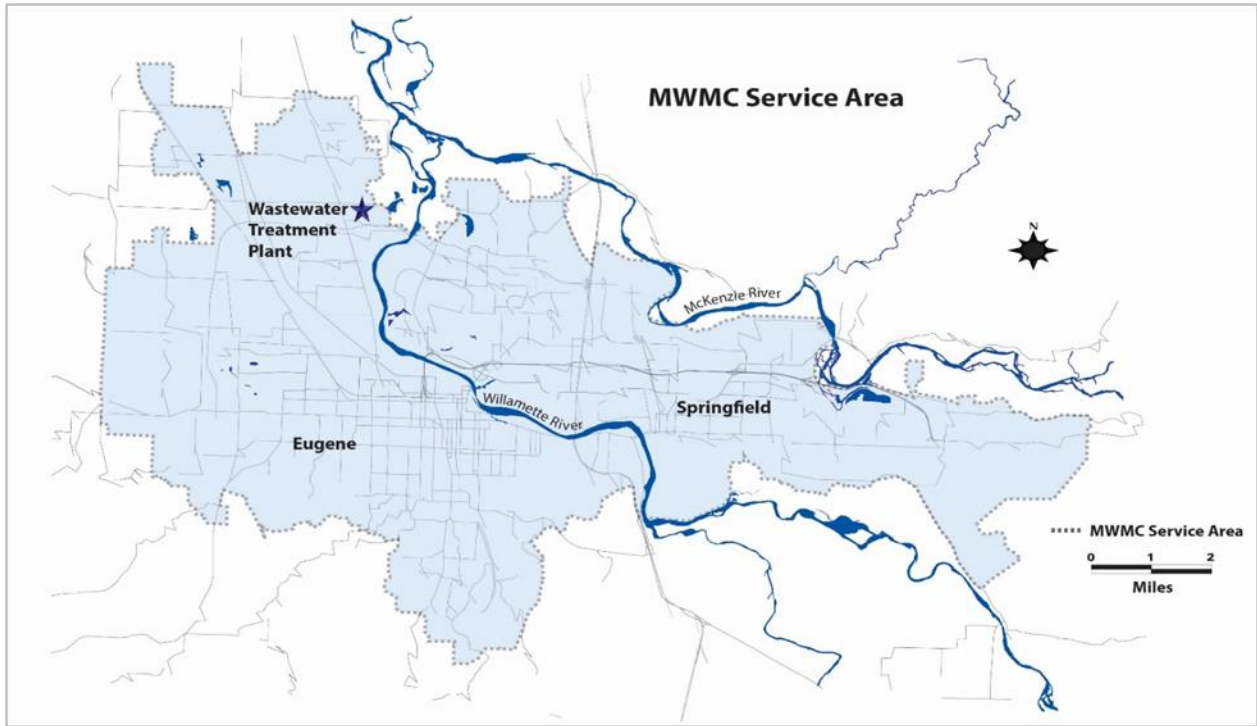
Vision: The MWMC will be recognized as a leader in protecting water quality through sustainable and fiscally responsible practices.

Values Statement: The MWMC strives to provide high-quality services that achieve, sustain, and promote balance between community, environmental and economic needs while meeting customer service expectations.

Values

Clean Water
Protecting Community Health
Providing Excellent Customer Service
Sustain Environmental Stewardship
Collaboration with Partners

Regulatory Permit Status - The MWMC's renewed NPDES permit was issued on November 1, 2022, and is effective through September 30, 2027. As we continue efforts to renew our Facilities Master Plan, we are preparing for more stringent requirements from the new permit. The MWMC continues to reduce debt obligations, while planning financially to be positioned for the NPDES permit requirements.



BUDGET MESSAGE

BUDGET MESSAGE

Members of the Metropolitan Wastewater Management Commission (MWMC), MWMC Customers and Partnering Agencies

It is my pleasure to present the Metropolitan Wastewater Management Commission's (MWMC) budget for fiscal year 2024-25. This budget funds operations, administration, and capital projects planned for the Regional Wastewater Program in the coming year. In compliance with Oregon Budget Law, this budget is balanced, with revenues and expenditures being equal.

Budget Development Process

The MWMC's budget development schedule begins in January, with a budget kick-off to review key outcomes the Commission strives to achieve, with associated performance indicators that measure results of annual workplans over time. In February, staff provides a presentation of the draft Capital Improvement Program (CIP) budget and five-year capital plan and discusses anticipated impacts. The operating budget programs are presented in March, along with user fee rate scenarios to provide an overall look at anticipated revenues and expenditures.

In April, the Commission holds public hearings on the Preliminary Regional Wastewater Program (RWP) Budget and CIP, and regional wastewater user rates. In May, the RWP budget is forwarded to the three governing bodies of Springfield, Eugene and Lane County for their review, input and ratification. The RWP Budget and CIP returns to the MWMC in June for final approval, with budget implementation occurring July 1.

As outlined in the MWMC's intergovernmental agreement, Administration and CIP components reflected in the City of Springfield's RWP budget, while operations, maintenance, equipment replacement, major rehabilitation, and major capital outlay components are reflected in the City of Eugene's RWP budget. Both cities' Industrial Pretreatment Programs are managed locally in compliance with the MWMC Model Ordinance and are also included in the RWP budget.

Fiscal Year 2024-25 Budget

The upcoming fiscal year will present opportunities and challenges for the regional wastewater program. The FY 2024-25 budget is balanced with resources equal to or greater than expenditures. The budget is based on a 4.6% increase over FY 2023-24 with the addition of 2.98 FTE to help address operational and administrative needs. Primary drivers associated with expenditures include rising inflationary and construction costs, regulatory requirements associated with meeting the MWMC's recently reissued National Pollution Discharge Elimination System (NPDES) Permit, and aging infrastructure needs associated with assets that are approaching 45 years old.

User fee revenues are projected at \$40.6 million, with additional revenue sources from septage haulers, renewable natural gas sales, property leases, Systems Development Charges, and other sources at \$3.6 million. Operating expenditures are projected at \$25.3 million, and the FY 2024-25 CIP includes approximately \$69.1 million dedicated to facilities planning efforts, conveyance system upgrades and plant performance improvements. Another \$4.1 million is proposed for equipment replacement, major rehabilitation, and major capital outlay.

Accomplishments

Every year, MWMC staff show incredible professionalism and commitment to our community. Significant accomplishments:

- The Clean Water University (CWU) program received two high-profile awards. The National Association of Clean Water Agencies (NACWA) recognized CWU with a *National Environmental Achievement Award* at their winter conference in Austin, TX. The program also received the Watermark Award from the Pacific Northwest Clean Water Association at their annual conference in Tacoma, WA.
- Todd Miller, Environmental Services Supervisor with the City of Springfield, was awarded with the Oregon Association of Clean Water Agencies' *2023 Outstanding Individual Award* for his work on temperature compliance strategies in NPDES permitting.
- The Regional Water Pollution Control Facility was awarded a 16th consecutive *Platinum Peak Performance Award* from NACWA for 100% compliance with the effluent limits of the MWMC's permit.
- Staff working at the Water Pollution Control Facility oversaw the successful treatment of over 12 billion gallons of wastewater, ensuring continued protection of our community's public health and safety, as well as that of the local environment and the Willamette River.

In summary, the FY 24-25 budget implements the Commission's adopted 2019 Financial Plan policies, funding operations and administration sufficiently to maintain service levels and to meet the environmental performance necessary for compliance with the National Pollutant Discharge Elimination System (NPDES) permit issued jointly to the MWMC and the two cities.

Development of the RWP budget is a significant effort and would not be possible without the dedicated commitment from staff working on behalf of the MWMC. I would like to thank Lou Allocco, Katherine Bishop, Troy McAllister, James McClendon, and Michelle Miranda.

Respectfully submitted,



Matt Stouder
MWMC Executive Officer & General Manager

PROGRAM OVERVIEW

ACRONYMS AND EXPLANATIONS

AMCP – Asset Management Capital Program. The AMCP implements the projects and activities necessary to maintain functionality, lifespan, and effectiveness of the MWMC facility assets on an ongoing basis. The AMCP is administered by the City of Eugene for the MWMC.

BMF – Biosolids Management Facility. The Biosolids Management Facility is an important part of processing wastewater where biosolids generated from the treatment of wastewater are turned into nutrient rich, beneficial organic materials.

CIP – Capital Improvements Program. This program implements projects outlined in the 2004 Facilities Plan and includes projects that improve performance or expand treatment or hydraulic capacity of existing facilities.

CMOM – Capacity Management and Maintenance Program. The CMOM program addresses wet weather issues such as inflow and infiltration with the goal to eliminate sanitary sewer overflows to the extent possible and safeguard the hydraulic capacity of the regional wastewater treatment facility.

CWSRF – Clean Water State Revolving Fund. The Clean Water State Revolving Fund loan program is a federal program administered by the Oregon DEQ that provides low-cost loans for the planning, design and construction of various water pollution control activities. (DEQ)

EMS – Environmental Management System. An EMS is a framework to determine the environmental impacts of an organization’s business practices and develop strategies to address those impacts.

ESD – Environmental Services Division. The ESD is a division of the City of Springfield’s Development and Public Works Department that promotes and protects the community’s health, safety, and welfare by providing professional leadership in the protection of the local environment, responsive customer service, and effective administration for the Regional Wastewater Program.

IGA – Intergovernmental Agreement. Pursuant to ORS 190.010, ORS 190.080, and ORS 190.085, the IGA is an agreement between the cities of Eugene and Springfield and Lane County that created the MWMC as an entity with the authority to provide resources and support as defined in the IGA for the Regional Wastewater Program.

MWMC – Metropolitan Wastewater Management Commission. The MWMC is the Commission responsible for the oversight of the Regional Wastewater Program. In this role, the MWMC protects the health and safety of our local environment by providing high-quality management of wastewater conveyance and treatment to the Eugene-Springfield community. The Commission is responsible for the oversight of the Regional Wastewater Program.

NPDES – National Pollutant Discharge Elimination System permit. The NPDES permit program is administered by the Oregon Department of Environmental Quality (DEQ) in fulfillment of federal Clean Water Act requirements. The NPDES permit includes planning and technology requirements as well as numeric limits on effluent water quality.

RNG – Renewal Natural Gas Upgrades consisting of biogas purification facilities at the treatment plant and connection to the Northwest Natural utility grid. Together, the system allows the MWMC to sell the upgraded gas (RNG) as a renewable fuel through offtake agreements.

RWP – Regional Wastewater Program. Under the oversight of the MWMC, the purpose of the RWP is to protect public health and safety and the environment by providing high quality wastewater management services to the Eugene-Springfield metropolitan area. The MWMC and the regional partners are committed to providing these services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs while meeting customer service expectations.

SDC – System Development Charge. SDCs are charges imposed on development so that government may recover the capital needed to provide sufficient capacity in infrastructure systems to accommodate the development.

SRF – Clean Water State Revolving Fund. The Clean Water State Revolving Fund loan program is a federal program administered by the Oregon DEQ that provides low-cost loans for the planning, design and construction of various water pollution control activities. (DEQ)

SSO – Sanitary Sewer Overflows. Discharges of raw sewage.

TMDL – Total Maximum Daily Load. The federal Clean Water Act defines *Total Maximum Daily Load* as the maximum amount of any pollutant that can be safely assimilated by a waterway in one day without significant degradation of water quality.

TSS – Total Suspended Solids. Organic and inorganic materials that are suspended in water.

WPCF – Regional Water Pollution Control Facility. The WPCF is a state-of-the-art facility providing treatment of the wastewater coming from the Eugene/Springfield metropolitan area. The WPCF is located on River Avenue in Eugene. The treatment plant and 49 pump stations distributed across Eugene and Springfield operate 24 hours a day, 7 days a week, 365 days a year to collect and treat wastewater from homes, businesses and industries before returning the cleaned water, or effluent, to the Willamette River. Through advanced technology and processes, the facility cleans, on average, up to 30 million gallons of wastewater every day.

WWFMP – Wet Weather Flow Management Plan. This plan evaluated and determined the most cost-effective combination of collection system and treatment facility upgrades needed to manage excessive wet weather wastewater flows in the Eugene/Springfield metropolitan area.

REGIONAL WASTEWATER PROGRAM OVERVIEW

The Metropolitan Wastewater Management Commission

The Metropolitan Wastewater Management Commission (MWMC) was formed by Eugene, Springfield, and Lane County through an intergovernmental agreement (IGA) in 1977 to provide wastewater collection and treatment services for the Eugene-Springfield metropolitan area. The seven-member Commission is composed of members appointed by the City Councils of Eugene (3 representatives), Springfield (2 representatives) and the Lane County Board of Commissioners (2 representatives). Since its inception, the Commission, in accordance with the IGA, has been responsible for oversight of the Regional Wastewater Program (RWP) including: construction, maintenance, and operation of the regional sewerage facilities; adoption of financing plans; adoption of budgets, user fees and connection fees; adoption of minimum standards for industrial pretreatment and local sewage collection systems; and recommendations for the expansion of regional facilities to meet future community growth. Staffing and services have been provided in various ways over the 47 years of MWMC's existence. Since 1983, the Commission has contracted with the Cities of Springfield and Eugene for all staffing and services necessary to maintain and support the RWP. Lane County's partnership has involved participation on the Commission and authority for wastewater services and support for customers that are served by the MWMC in the Santa Clara unincorporated area.

Regional Wastewater Program Purpose and Key Outcomes

The purpose of the RWP is to protect public health and safety and the environment by providing high quality wastewater management services to the Eugene-Springfield metropolitan area. The MWMC and the regional partners are committed to providing these services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs while meeting customer service expectations. Since the mid-1990s, the Commission and RWP staff have worked together to identify key outcome areas within which to focus annual work plan and budget priorities. The FY 24-25 RWP work plans and budget reflect a focus on the following key outcomes or goals. In carrying out the daily activities of managing the regional wastewater system, we will strive to achieve and maintain:

- 1. High environmental standards;***
- 2. Fiscal management that is effective and efficient;***
- 3. A successful intergovernmental partnership;***
- 4. Maximum reliability and useful life of regional assets and infrastructure;***
- 5. Public awareness and understanding of MWMC, the regional wastewater system, and MWMC's objectives of maintaining water quality and a sustainable environment.***

The Commission believes that these outcomes, if achieved in the long term, will demonstrate success of the RWP in carrying out its purpose. In order to help determine whether we are successful, indicators of performance and targets have been identified for each key outcome. Tracking performance relative to identified targets over time assists in managing the RWP to achieve desired results. The following indicators and performance targets provide an important framework for the development of the FY 24-25 RWP Operating Budget, Capital Improvements Program, and associated work plans.

Outcome 1: Achieve and maintain high environmental standards.

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
<ul style="list-style-type: none"> Maximize RNG Runtime 	--	Design and procure a Waste Gas Burner (WGB); 70% Runtime	Complete construction of a WGB; 80% Runtime
<ul style="list-style-type: none"> Optimize heat-loop efficiency 	--	Complete heat-loop optimization study	Implement optimization study recommendations
<ul style="list-style-type: none"> Average removal efficiency of carbonaceous biochemical oxygen demand (CBOD) and total suspended solids (TSS) (permit limit 85%) 	Achieved 97%	Achieve 97%	Achieve 95%
<ul style="list-style-type: none"> High quality biosolids (pollutant concentrations less than 50% of EPA exceptional quality criteria) 	Arsenic 21% Cadmium 33% Copper 35% Lead 17% Mercury 5% Nickel 5% Selenium 11% Zinc 36%	Arsenic 25% Cadmium 35% Copper 35% Lead 20% Mercury 10% Nickel 10% Selenium 20% Zinc 35%	Arsenic <50% Cadmium <50% Copper <50% Lead <50% Mercury <50% Nickel <50% Selenium <50% Zinc <50%
<ul style="list-style-type: none"> ISO14001 Environmental Management System – Continual Improvement of Environmental Performance 	All objectives were met and no major non-conformities; Evaluated an electric dredge; completed new laboratory information management system	All objectives met with no major non-conformities	All objectives met with no major non-conformities

Outcome 1: *Achieve and maintain high environmental standards (continued)*

- Climate Action Planning Completed FY 2022-23 Greenhouse Gas Emissions Inventory; presented to Commission on 11/17/2023 GHG Emissions data gathering and protocol documents review Complete FY 2024-25 Greenhouse Gas Emissions Inventory; present to Commission in fall 2025

Outcome 2: *Achieve and maintain fiscal management that is effective and efficient.*

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
• Annual budget and rates align with the MWMC Financial Plan	Policies were met	Policies met	Policies met
• Annual audited financial statements	Clean audit	Clean audit	Clean audit
• Uninsured bond rating	AA	AA	AA
• Reserves funded at target levels	Yes	Yes	Yes
• Maintain Sound Financial Practices per the MWMC Financial Plan	Yes	Yes	Minor updates to the Financial Plan
• Ensure rates and rate changes are planned, moderate and incremental	3.5% Increase	4.5% Increase	≤ 5.5% Increase
• MWMC utility billing collection rate at or above 98%	Achieved 99.79%	Achieve > 98%	Achieve > 98%

Outcome 3: *Achieve and maintain a successful intergovernmental partnership.*

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
<ul style="list-style-type: none"> Update MWMC Facilities Plan (Project P80101) 	Started Project P80101	Work in progress	Complete by Winter 2025
<ul style="list-style-type: none"> Implement and approve revised local limits and an updated MWMC pretreatment model ordinance; implement and adopt model ordinance into Eugene and Springfield Codes 	Local limits approved by DEQ; adopted and implemented local limits in Eugene and Springfield; adopted local ordinances in Eugene and Springfield	Local ordinances final approval from DEQ; Begin implementation	Complete implementation
<ul style="list-style-type: none"> Partnership Assessment Tool 	Scope assessment tool options; present concepts/options for Commission consideration; Create RFP and select consultant	Begin data collection; report first round results to Commission	Begin implementation of approved recommendations as next steps
<ul style="list-style-type: none"> Presentations regarding MWMC partnership, services and outcomes delivered jointly 	Three presentations delivered by staff	Three presentations delivered by staff	Two presentations delivered by staff
<ul style="list-style-type: none"> Leverage inter-organizational and community partnerships to advance MWMC objectives 	Enrolled new shade credits sites via Pure Water Partners; collaborated with Urban Waters & Wildlife Partnership on biochar stormwater treatment	Continued enrollment and establishment of PWP shade credit sites; co-promoted biochar opportunities with UWWP	Identify MWMC One Water partnership project roles and outcomes

Outcome 4: Maximize reliability and useful life of regional assets and infrastructure.

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
• Preventive maintenance completed on time (best practices benchmark is 90%)	96% (9,037 PMs)	96%	90%
• Preventive maintenance to corrective maintenance ratio (benchmark 4:1-6:1)	6.0:1 (8,380 PMs: 1,408 CMs)	4.9:1	5:1
• Emergency maintenance required (best practices benchmark is less than 2% of labor hours)	0.9% (233 hours / 26,862 hrs)	0.3%	< 2%
• Asset management (AM) processes and practices review and development	Completed 4 of the identified improvements in the AM plan	Investigate assets not captured in Maximo, e.g., pipe, roadways, fences	Identify “critical” assets
• MWMC Resiliency Plan	Conveyance system pipe repair kits	Emergency supplies storage containers	Design building seismic improvements on select buildings

Outcome 5: Achieve and maintain public awareness and understanding of MWMC, the regional wastewater system, and MWMC's objectives of maintaining water quality and a sustainable environment.

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
• Communications Plan	Continued implemented 2021 Communications Plan	Update 2021 Plan as needed based on market trends	Update 2021 Plan as needed based digital advertising campaign results & market trends
• Promote MWMC social media channels and website	Grew Facebook followers to 1,200, Twitter to 215 and Instagram to 825; website visitors to 9,100 with 13,000 pageviews	Implement strategies to grow Facebook/Meta followers to 1,400, X (Twitter) to 200 and Instagram to 950; and website visitors to 10,000 with 14,000 pageviews	Implement strategies to grow Facebook/Meta followers to 1,500, X to 225 and Instagram to 1,100 and website visitors to 11,000 with 15,000 pageviews
• Create and distribute MWMC e-newsletters	Distributed monthly and increased distribution to 610 subscribers with an open rate of 38% and a click-through rate of 3%	Distribute monthly and increase distribution to 750 subscribers with an open rate of 40% and a click-through rate of 5%	Distribute monthly and increase distribution to 875 subscribers with an open rate of 45% and a click-through rate of 8%
• Pollution prevention/ sponsorships campaigns	Completed 2 campaigns, 4 sponsorships; reaching 40% of residents in the service area	Complete 2 campaigns, 5 sponsorships; reaching 40% of residents in the service area	Complete 2 campaigns, 5 sponsorships; reaching +40% of residents in the service area
• Provide tours of the MWMC Facilities	Provided tours for greater than 1,000 people	Provide tours for greater than 1,000 people	Provide tours for greater than 1,250 people
• Clean Water University	Reached 25% of 5 th Graders in the service area	Reach >25% of 5 th Graders in the service area	Reach 40% of 5 th Graders in the service area

Roles and Responsibilities

In order to effectively oversee and manage the RWP, the partner agencies provide all staffing and services to the MWMC. The following sections describe the roles and responsibilities of each of the partner agencies, and how intergovernmental coordination occurs on behalf of the Commission.

City of Eugene

The City of Eugene supports the RWP through representation on the MWMC, provision of operation and maintenance services, and active participation on interagency project teams and committees. Three of the seven MWMC members represent Eugene – two citizens and one City Councilor. Pursuant to the Intergovernmental Agreement (IGA), the Eugene Wastewater Division operates and maintains the Regional Water Pollution Control Facility (WPCF), the Biosolids Management Facility (BMF) and associated residuals and reclaimed water activities, along with regional wastewater pumping stations and transmission sewers. In support of the RWP, the Division also provides technical services for wastewater treatment; management of equipment replacement and infrastructure rehabilitation; biosolids treatment and recycling; industrial source control (in conjunction with Springfield staff); and regional laboratory services for wastewater and water quality analyses. These services are provided under contract with the MWMC through the regional funding of 81.68 full-time equivalent (FTE) employees.

City of Springfield

The City of Springfield supports the RWP through representation on the MWMC, provision of MWMC administration services, and active coordination of and participation on interagency project teams and committees. Two MWMC members represent Springfield – one citizen and one City Councilor. Pursuant to the IGA, the Springfield Development and Public Works Department, provides staff to serve as the MWMC Executive Officer / General Manager, respectively. The Environmental Services Division and Finance Department staff provide ongoing staff support to the Commission and administration of the RWP in the following areas: legal and risk management services; financial management and accounting; coordination and management of public policy; regulatory and permit compliance issues; coordination between the Commission and the governing bodies; long-range capital project planning, design, and construction management; coordination of public information, education, and citizen involvement programs; and coordination and development of regional budgets, rate proposals, and revenue projections. Springfield staff also provides local implementation of the Industrial Pretreatment Program, as well as billing coordination and customer service. These services are provided under contract with the MWMC through the regional funding of 16.90 FTE of Development and Public Works Department staff and .88 FTE of Finance Department staff, and .03 FTE of City Manager's Office for a total 17.81 FTE as reflected in the FY 24-25 Budget.

Lane County

Lane County supports the RWP through representation on the MWMC, including two MWMC members that represent Lane County – one citizen and one County Commissioner. Lane County's partnership initially included providing support to manage the proceeds and repayment of the RWP general obligation bonds to finance the local share of the RWP facilities construction. These bonds were paid in full in 2002. The County, while not presently providing sewerage, has the authority under its charter to do so. The Urban Growth Boundary includes the two Cities (urban lands) and certain unincorporated areas surrounding the Cities which lies entirely within the County. Federal funding policy requires sewage treatment and disposal within the Urban Growth Boundary to be provided on a unified, metropolitan basis.

Interagency Coordination

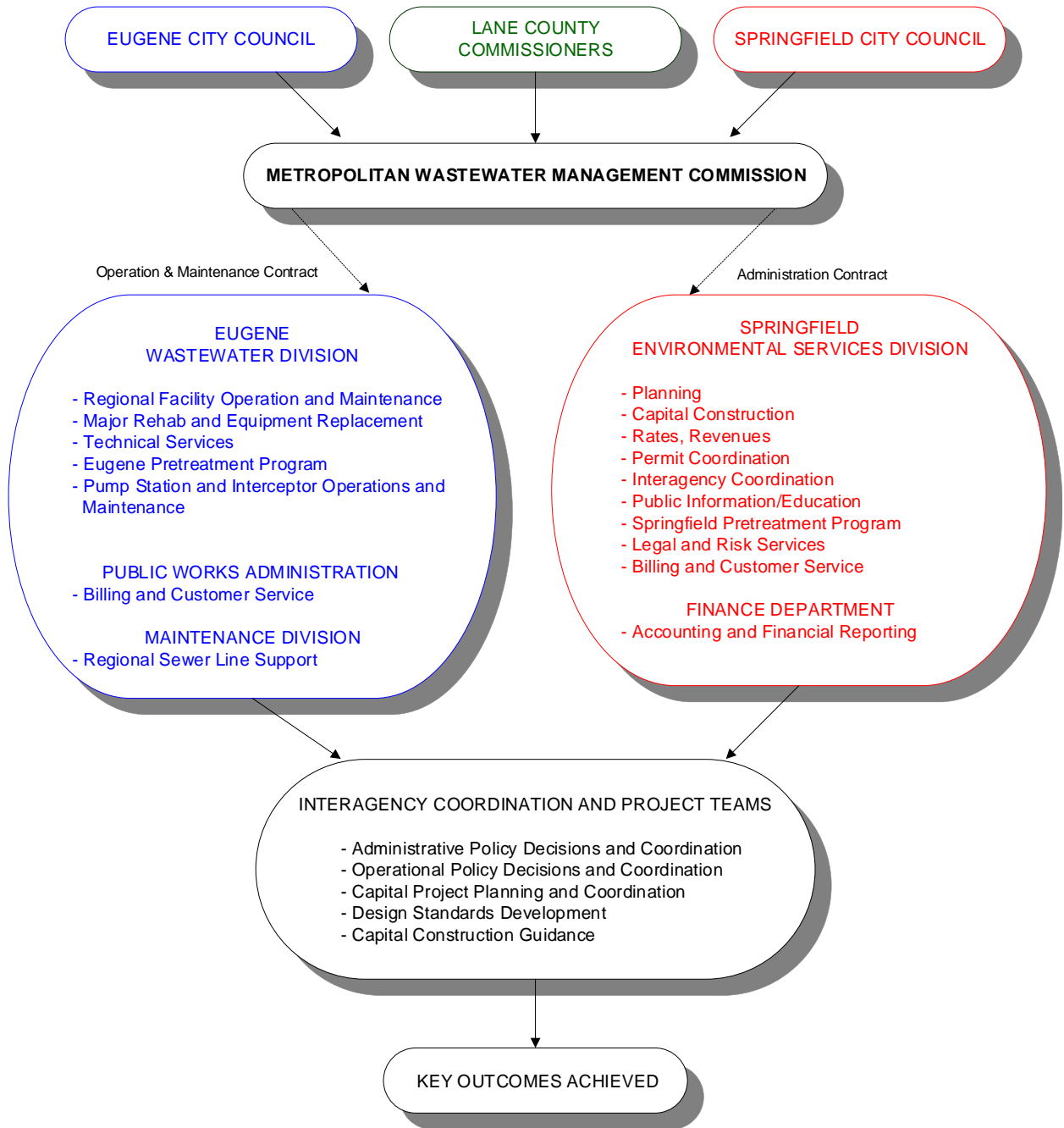
The effectiveness of the MWMC and the RWP depends on extensive coordination, especially between Springfield and Eugene staff, who provide ongoing program support. This coordination occurs in several ways. The Springfield MWMC Executive Officer / MWMC General Manager, together with the Eugene Wastewater Division Director coordinate regularly to ensure adequate communication and consistent implementation of policies and practices as appropriate. The Eugene and Springfield Industrial Pretreatment Program supervisors and staff meet regularly to ensure consistent implementation of the Model Industrial Pretreatment Ordinance. In addition, interagency project teams provide input on and coordination of ongoing MWMC administration issues and ad hoc project needs.

Exhibit 1 on the following page reflects the interagency coordination structure supporting the RWP. Special project teams are typically formed to manage large projects such as design and construction of new facilities. These interagency staff teams are formulated to provide appropriate expertise, operational knowledge, project management, and intergovernmental representation.

Relationship to Eugene and Springfield Local Sewer Programs

The RWP addresses only part of the overall wastewater collection and treatment facilities that serve the Eugene-Springfield metropolitan area. The Cities of Eugene and Springfield both maintain sewer programs that provide for construction and maintenance of local collection systems and pump stations, which discharge to the regional system. Sewer user fees collected by the two Cities include both local and RWP rate components.

EXHIBIT 1
REGIONAL WASTEWATER PROGRAM
INTERAGENCY COORDINATION STRUCTURE



BUDGET SUMMARY

**REGIONAL WASTEWATER PROGRAM
FY 24-25 BUDGET**

The MWMC’s RWP Operating Budget provides the Commission and governing bodies with an integrated view of the RWP elements. Exhibit 2 provides a summary of the overall Operating Budget. Separate Springfield and Eugene agency budgets and staffing also are presented within this budget document. Major program areas supported by Springfield and Eugene are described in the pages that follow and are summarized in Exhibit 3 on page 18. Finally, Exhibit 4 on page 19 combines revenues, expenditures, and reserves to illustrate how funding for all aspects of the RWP is provided. It should also be noted that the “Amended Budget FY 23-24” column in all budget tables represents the updated FY 23-24 RWP budget as of February 9, 2024, which reconciled actual beginning balances at July 1, 2023, and approved budget transfers and supplemental requests.

EXHIBIT 2

**REGIONAL OPERATING BUDGET SUMMARY
INCLUDING RESERVE CONTRIBUTIONS**

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE (1) INCR/(DECR)	
Full-Time Equivalent Staffing Level	99.49	99.49	102.47	2.98	3.0%
Personnel Services (2)	\$13,886,087	\$13,886,087	\$14,049,147	\$163,060	1.2%
Materials & Services (2)	9,646,461	9,890,618	10,162,557	516,096	5.4%
Capital Outlay (2, 3)	380,000	465,000	1,105,000	725,000	90.8%
Equip Replacement Contributions (4)	1,500,000	1,500,000	2,250,000	750,000	50.0%
Capital Contributions (5)	12,800,000	12,800,000	13,000,000	200,000	1.6%
Debt Service (6)	4,113,000	4,113,000	4,107,750	(5,250)	-0.1%
Working Capital Reserve (7)	900,000	900,000	900,000	-	0%
Rate Stability Reserve (8)	2,000,000	2,000,000	2,000,000	-	0%
Insurance Reserve (9)	1,500,000	1,500,000	1,500,000	-	0%
Operating Reserve (10)	4,158,782	5,869,537	4,240,707	81,925	2.0%
Rate Stabilization Reserve (11)	2,000,000	2,000,000	2,000,000	-	0%
SRF Loan Reserve (12)	50,000	50,000	50,000	-	0%
Budget Summary	\$52,934,330	\$54,974,242	\$55,365,160	\$2,430,831	4.6%

Notes:

1. The Change column and Percent Change column compare the Proposed FY 24-25 Budget with the originally Adopted FY 23-24 Budget column.
2. Personnel Services, Materials and Services, and Capital Outlay budget amounts represent combined Springfield and Eugene Operating Budgets that support the RWP.
3. Capital Outlay does not include CIP, Equipment Replacement, Major Capital Outlay, or Major Rehabilitation, which are capital programs.

4. The Equipment Replacement Contribution is a budgeted transfer of operating revenues to reserves for scheduled future equipment replacement, including all fleet equipment and other equipment, with an original cost over \$10,000, and with a useful life expectancy greater than one year. See table on page 25 for year-end balance.
5. The Capital Reserve Contribution is a budgeted transfer of operating revenues to reserves. Capital is passed through the Springfield Administration Budget. See table on page 26 for year-end balance.
6. The Debt Service line item is the sum of annual interest and principal payments on the Revenue Bonds and Clean Water State Revolving Fund (SRF) loans made from the Operating Budget (derived from user rates). The total amount of Debt Service budgeted in FY 24-25 is \$4,107,750.
7. The Working Capital Reserve acts as a revolving account which is drawn down and replenished on a monthly basis to fund Eugene's and Springfield's cash flow needs.
8. The Rate Stability Reserve is used to set aside revenues available at year-end after the budgeted Operating Reserve target is met. Internal policy has established a level of \$2 million for the Rate Stability Reserve. See Exhibit 5 on page 24 for year-end balance.
9. The Insurance Reserve was established to set aside funds to cover the insurance deductible amount for property and liability insurance coverage, for losses per occurrence. The Insurance Reserve is set at \$1.5 million.
10. The Operating Reserve is used to account for the accumulated operating revenues net of operations expenditures. The Commission's adopted policy provides minimum guidelines to establish the Operating Reserve balance at approximately two months operating expenses of the adopted Operating Budget. The Operating Reserve provides for contingency funds in the event that unanticipated expenses or revenue shortfalls occur during the budget year.
11. The Rate Stabilization Reserve contains funds to be used at any point in the future when net revenues are insufficient to meet the bond covenant coverage requirements. The Commission shall maintain the Rate Stabilization Reserve account as long as bonds are outstanding. This reserve is set at \$2 million.
12. The Clean Water SRF loan reserve is budgeted as required per loan agreements.

EXHIBIT 3

REGIONAL WASTEWATER PROGRAM OPERATING BUDGET
LINE ITEM SUMMARY BY PROGRAM AREA

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE INCR/(DECR)	
SPRINGFIELD						
MWMC ADMINISTRATION						
Personnel Services	\$1,766,173	\$1,980,562	\$1,980,562	\$2,123,288	\$142,726	7.2%
Materials & Services	2,126,724	2,555,605	2,640,438	2,782,286	226,681	8.9%
Capital Outlay	65,612.96	-	88,070	-	-	--
TOTAL	\$3,958,510	\$4,536,166	\$4,709,069	\$4,905,574	\$369,407	8.1%
INDUSTRIAL PRETREATMENT						
Personnel Services	\$389,798	\$427,427	\$427,428	\$438,337	\$10,910	2.6%
Materials & Services	146,418	170,407	314,564	167,195	(3,212)	-1.9%
Capital Outlay	-	-	55,000	-	-	--
TOTAL	\$536,217	\$597,834	\$796,992	\$605,532	\$7,698	1.3%
ACCOUNTING						
Personnel Services	\$125,469	\$134,761	\$134,761	\$144,185	\$9,424	7.0%
Materials & Services	38,626	47,113	47,113	49,812	2,699	5.7%
Capital Outlay	-	-	-	-	-	--
TOTAL	\$164,096	\$181,874	\$181,874	\$193,997	\$12,123	6.7%
TOTAL SPRINGFIELD						
Personnel Services	\$2,281,441	\$2,542,750	\$2,542,751	2,705,810	\$163,060	6.4%
Materials & Services	2,311,769	2,773,125	3,002,115	2,999,293	226,168	8.2%
Capital Outlay	65,612.96	-	143,070	-	-	NA
TOTAL	\$4,658,823	\$5,315,875	\$5,687,936	\$5,705,103	\$389,227	7.3%
EUGENE						
ADMINISTRATIVE SERVICES						
Personnel Services	\$1,240,413	\$2,731,560	\$2,731,560	\$2,731,560	\$0	0.0%
Materials & Services	395,016	1,053,755	1,053,755	978,160	(75,595)	-7.2%
Capital Outlay	-	-	-	-	-	NA
TOTAL	\$1,635,430	\$3,785,315	\$3,785,315	\$3,709,720	(\$75,595)	-2.0%
ADMIN CHARGES - EWEB						
Personnel Services	\$0	\$0	\$0	\$0	0	NA
Materials & Services	727,710	0	0	791,330	791,330	NA
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$727,710	\$0	\$0	\$791,330	\$791,330	NA
BIOSOLIDS MANAGEMENT						
Personnel Services	\$1,699,203	\$1,543,151	\$1,543,151	\$1,543,151	\$0	0.0%
Materials & Services	1,088,591	1,034,814	1,034,814	959,123	(75,691)	-7.3%
Capital Outlay	0	0	0	0	-	NA
TOTAL	\$2,787,794	\$2,577,965	\$2,577,965	\$2,502,274	(\$75,691)	-2.9%
INDUSTRIAL SOURCE CONTROL						
Personnel Services	\$605,941	\$728,992	\$728,992	\$728,992	\$0	0.0%
Materials & Services	102,648	234,248	234,248	217,572	(16,676)	-7.1%
Capital Outlay	0	0	0	0	-	--
TOTAL	\$708,589	\$963,240	\$963,240	\$946,564	(\$16,676)	-1.7%
TREATMENT PLANT						
Personnel Services	\$5,819,422	\$5,679,660	\$5,679,660	\$5,679,660	\$0	0.0%
Materials & Services	4,136,703	4,103,697	4,103,697	3,803,013	(300,684)	-7.3%
Capital Outlay	96,930	380,000	380,000	1,105,000	725,000	190.8%
TOTAL	\$10,053,054	\$10,163,357	\$10,163,357	\$10,587,673	\$424,316	4.2%
REGIONAL PUMP STATIONS						
Personnel Services	\$348,327	\$308,886	\$308,886	\$308,886	\$0	0.0%
Materials & Services	364,068	341,745	341,745	316,507	(25,238)	-7.4%
Capital Outlay	0	0	0	0	-	--
TOTAL	\$712,395	\$650,631	\$650,631	\$625,393	(\$25,238)	-3.9%
BENEFICIAL REUSE SITE						
Personnel Services	\$345,339	\$351,087	\$351,087	\$351,087	\$0	0.0%
Materials & Services	106,475	105,005	105,005	97,559	(7,446)	-7.1%
Capital Outlay	0	0	0	0	-	--
TOTAL	\$451,814	\$456,092	\$456,092	\$448,646	(\$7,446)	-1.6%
TOTAL EUGENE						
Personnel Services	\$10,058,645	\$11,343,336	\$11,343,336	\$11,343,336	\$0	0.0%
Materials & Services	6,921,211	6,873,264	6,873,264	7,163,264	290,000	4.2%
Capital Outlay	96,930	380,000	380,000	1,105,000	725,000	190.8%
TOTAL	\$17,076,786	\$18,596,600	\$18,596,600	\$19,611,600	\$1,015,000	5.5%
TOTAL REGIONAL BUDGET	\$21,735,609	\$23,912,475	\$24,284,536	\$25,316,703	\$1,404,228	5.9%

NOTE: Does not include Major Rehabilitation, Equipment Replacement or Major Capital Outlay

EXHIBIT 4

REGIONAL WASTEWATER PROGRAM
BUDGET SUMMARY AND COMPARISON

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE* INC(DEC)
<u>OPERATING BUDGET</u>				
Administration	\$5,315,875	\$5,687,936	\$5,705,103	\$389,228
Operations	18,596,600	18,596,600	19,611,600	1,015,000
Capital Contribution & Transfers	12,800,000	12,800,000	13,000,000	200,000
Equipment Replacement - Contribution	1,500,000	1,500,000	2,250,000	750,000
Operating & Revenue Bond Reserve	10,594,782	12,305,538	10,676,707	81,925
Debt Service	4,113,000	4,113,000	4,107,750	(5,250)
Total Operating Budget	\$52,920,257	\$55,003,074	\$55,351,160	\$2,430,903
<u>Funding:</u>				
Beginning Balance	\$11,599,893	\$13,682,710	\$11,089,438	(510,455)
User Fees	38,500,000	38,500,000	41,348,000	2,848,000
Other	2,820,364	2,820,364	2,913,722	93,358
Total Operating Budget Funding	\$52,920,257	\$55,003,074	\$55,351,160	\$2,430,903
<u>CAPITAL PROGRAM BUDGET</u>				
Poplar Harvest Management Services	50,000	128,891	0	NA
Administration Building Improvements	18,700,000	18,454,853	22,200,000	3,500,000
Electrical Switchgear & Transformer Replacement	19,400,000	19,882,462	16,600,000	(2,800,000)
Water Quality Trading Program	12,100,000	12,239,974	11,470,000	(630,000)
Class A Disinfection Facilities	6,790,000	6,825,572	8,100,000	1,310,000
Aeration System Upgrades (2023 to 2026)	3,200,000	4,195,765	3,200,000	0
Glenwood Pump Station Upgrade	1,500,000	1,898,846	1,700,000	200,000
Comprehensive Facilities Plan Update	1,800,000	3,215,206	1,450,000	(350,000)
WPCF Stormwater Infrastructure	310,000	400,000	520,000	210,000
Resiliency Follow-Up	500,000	1,289,367	300,000	(200,000)
Recycled Water Demonstration Projects	330,000	334,621	80,000	(250,000)
Waste Activated Sludge Thickening	-	-	1,500,000	NA
Repair Clarifiers & Final Treatment	-	-	1,500,000	NA
Facility Plan Engineering Services	-	-	500,000	NA
<u>Asset Management:</u>				
Equipment Replacement Purchases	1,835,000	3,412,918	1,415,000	(420,000)
Major Rehab	630,000	1,071,682	1,820,000	1,190,000
Major Capital Outlay	-	208,430	900,000	NA
Total Capital Projects	\$67,145,000	\$73,558,587	\$73,255,000	\$6,110,000
<u>Funding:</u>				
Equipment Replacement	\$1,835,000	\$3,412,918	\$1,415,000	(420,000)
SDC Improvement Reserve	6,654,320	6,920,594	9,096,280	2,441,960
Capital Reserve	58,655,680	63,225,075	62,743,720	4,088,040
Total Capital Projects Funding	\$67,145,000	\$73,558,587	\$73,255,000	\$6,110,000

Note: * The Change compares the proposed FY 24-25 budget to the originally adopted FY 23-24 budget column.

BUDGET AND RATE HISTORY

The graphs on page 21 show the regional residential wastewater service costs over a 5-year period, and a 5-year Regional Operating Budget Comparison. Because the Equipment Replacement, Major Rehabilitation and Major Capital Outlay programs are managed in the Eugene Operating Budget, based on the size, type and budget amount of the project these programs are incorporated into either the 5-year Regional Operating Budget Comparison graph or the 5-Year Capital Programs graph on page 22. The Regional Wastewater Capital Improvement Programs graph on page 20 shows the expenditures over the recent five years in the MWMC's Capital Program and including Asset Management projects. A list of capital projects is located in Exhibit 13 on page 54.

As shown on the Regional Residential Sewer Rate graph on page 21, regional sewer user charges have incrementally increased to meet the revenue requirements necessary to fund facility improvements as identified in the 2004 MWMC Facilities Plan. This Plan and the subsequent 2014 Partial Facilities Plan Update demonstrated the need for a significant capital investment in new and expanded facilities to meet environmental performance requirements and capacity to serve the community.

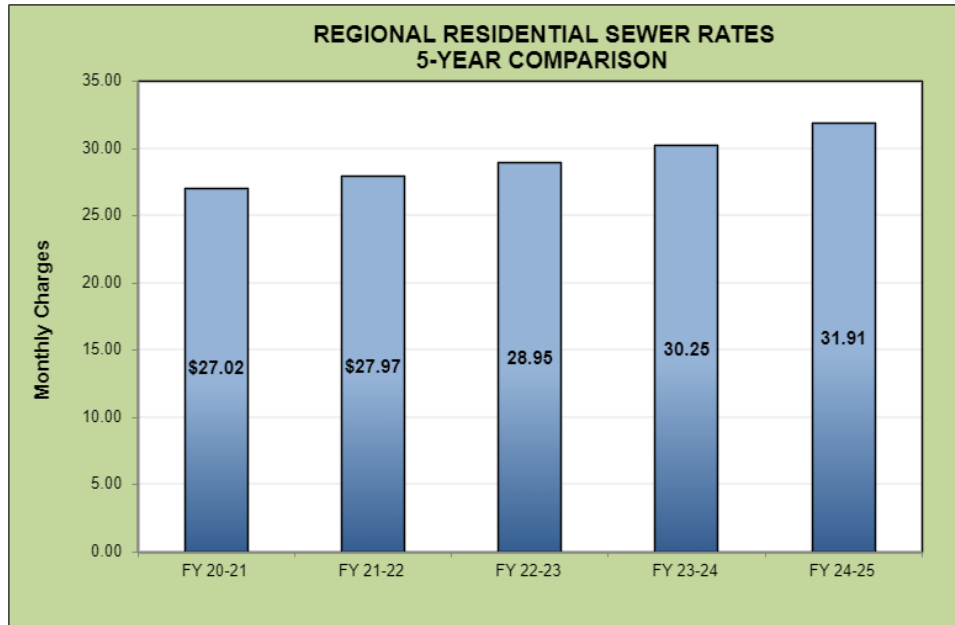
On November 1, 2022, the Department of Environmental Quality (DEQ) issued a National Pollutant Discharge Elimination System Permit (NPDES). Although a portion of these capital improvements can be funded through system development charges (SDCs), much of the funding for capital improvements over the approximately 5-year period will come from user charges. This has become a major driver of the MWMC's need to increase sewer user rates, moderately and incremental on an annual basis.

The National Association of Clean Water Agency (NACWA) publishes an annual Cost of Clean Water Index, which indicates the national average charges for wastewater services. The index includes average wastewater charges by Environmental Protection Agency (EPA) regions. Of the EPA regions, Region 10, which includes Oregon, Washington and Idaho, reflects the second highest wastewater expenses nationwide, based on demographics, geography, regulatory requirements, and a range of other issues. Within Region 10, the annual change in the cost of clean water index reflected a 3.46% average increase over the past 3 years.

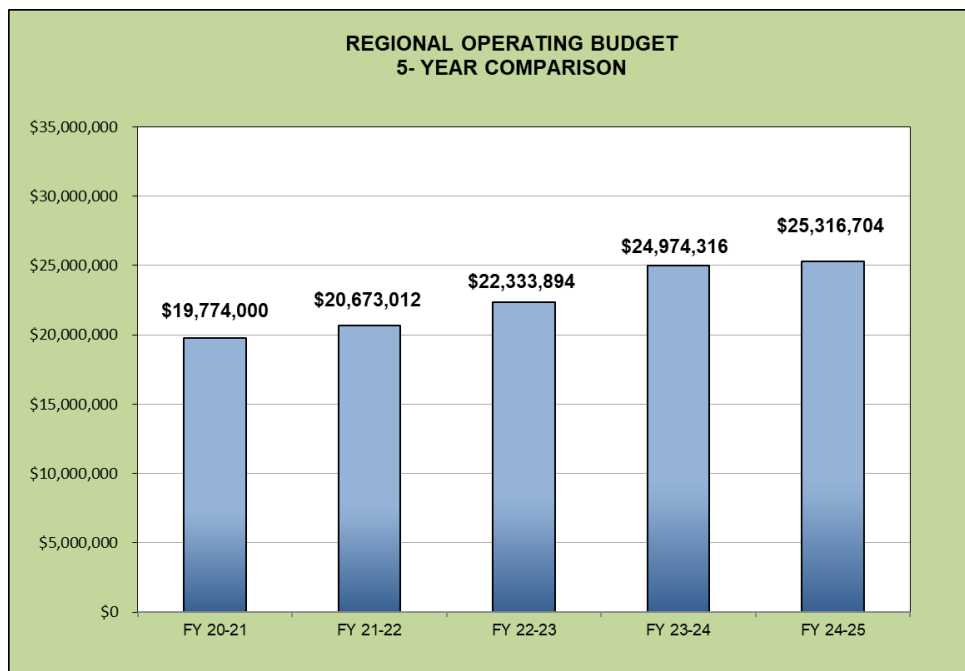
In FY 23-24 the MWMC regional user rates increased by 4.5% over the prior year rates. The FY 24-25 Budget is based on a 5.5% user rate increase over the FY 23-24 rates. This increase will provide for Operations, Administration, Capital programs, reserves and debt service, continuing to meet capital and operating requirements and supporting the Commission's Financial Plan policies, as well as financially positioning for future investments in capital assets.

The following chart displays the regional component of a residential monthly bill when applying the base and flow rates to 5,000 gallons of wastewater treated, which includes a 5.5% or \$1.66 increase effective July 1, 2024.

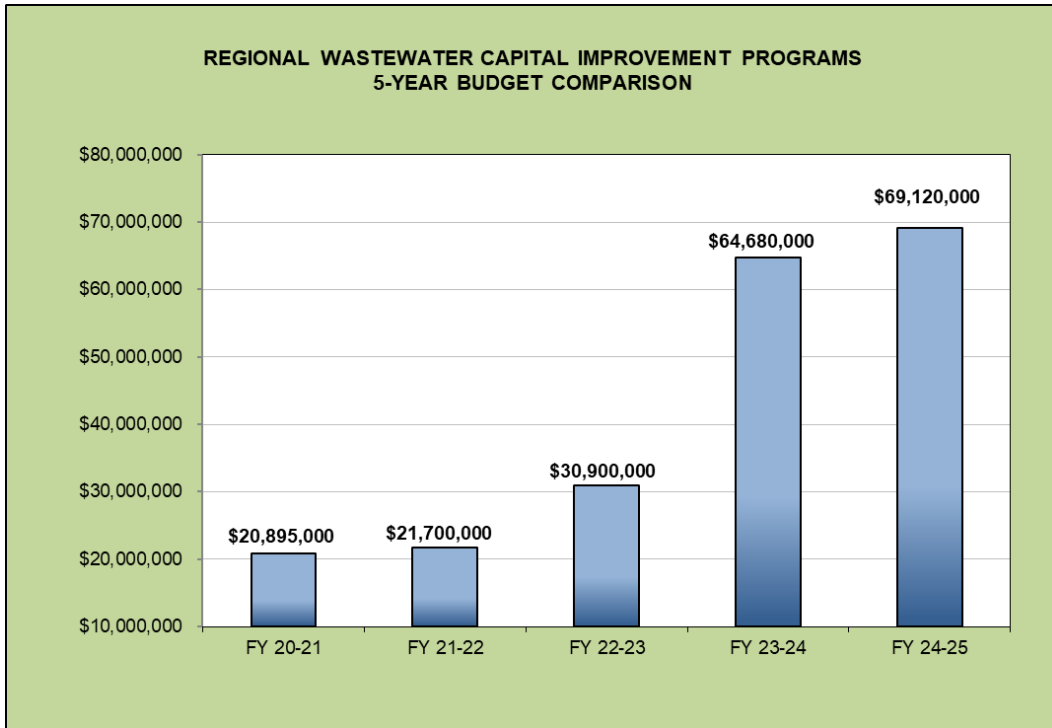
The graph below displays the regional component of a residential monthly bill, when applied to 5,000 gallons of wastewater treated for the recent 5-year period.



The graph below displays the Regional Operating Budget amounts for the recent 5-year period.



The graph below displays the Regional Wastewater Capital Improvement Program Budget amounts for the recent 5-year period.



RESERVE FUNDS

**REGIONAL WASTEWATER PROGRAM
RESERVES**

The RWP maintains reserve funds for the dedicated purpose to sustain stable rates while fully funding operating and capital needs. Commission policies and guidance, which direct the amount of reserves appropriated on an annual basis, are found in the MWMC Financial Plan. Further details on the FY 24-25 reserves are provided below.

OPERATING RESERVES

The MWMC Operating Budget includes six separate reserves: the Working Capital Reserve, Rate Stability Reserve, Rate Stabilization Reserve, State Revolving Fund (SRF) Reserve, Insurance Reserve and the Operating Reserve. Revenues are appropriated across the reserves in accordance with Commission policy and expenditure needs. Each reserve is explained in detail below.

WORKING CAPITAL RESERVE

The Working Capital Reserve acts as a revolving account that is drawn down and replenished on a monthly basis to provide funds for payment of Springfield Administration and Eugene Operations costs prior to the receipt of user fees from the Springfield Utility Board and Eugene Water and Electric Board. The Working Capital Reserve is set at \$900,000 for FY 24-25, \$200,000 of which is dedicated to Administration and \$700,000 is dedicated to Operations.

RATE STABILITY RESERVE

The Rate Stability Reserve was established to implement the Commission's objective of maintaining stable rates. It is intended to hold revenues in excess of the current year's operating and capital requirements for use in future years, in order to avoid potential rate spikes. The amount budgeted on an annual basis has been set at \$2 million, with any additional net revenues being transferred to the capital reserve for future projects.

RATE STABILIZATION RESERVE

The Rate Stabilization Reserve contains funds to be used at any point in the future when net revenues are insufficient to meet the bond covenant coverage requirement. The Commission shall maintain the Rate Stabilization account as long as bonds are outstanding. In FY 24-25 no additional contribution to this reserve is budgeted and the balance at June 30, 2024, will remain at \$2 million.

CLEAN WATER STATE REVOLVING FUND (SRF) RESERVE

The Clean Water SRF Reserve was established to meet revenue coverage requirements for SRF loans. The SRF Reserve is set at \$50,000 for FY 24-25.

INSURANCE RESERVE

The Insurance Reserve was established to set aside funds to cover the insurance deductible amount for property and liability insurance coverage, for losses per occurrence. The Insurance Reserve is set at \$1.5 million for FY 24-25.

OPERATING RESERVE

The Operating Reserve is used to account for accumulated operating revenues net of operating expenditures (including other reserves). The Commission's adopted policy provides guidelines to establish the Operating Reserve at a minimum target of two months expenses. For FY 24-25, the Operating Reserve is budgeted at \$4,240,707, which includes approximately two months of total Personnel Services, Materials and Services, and Capital Outlay in accordance with Commission policy.

EXHIBIT 5

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
OPERATING RESERVES			
Beginning Balance	\$11,599,893	\$13,682,709	\$11,089,438
User Fee Revenue	37,800,000	37,800,000	40,620,000
Septage Revenue	700,000	700,000	728,000
Other Revenue	2,244,460	2,244,460	2,236,000
Interest	200,000	200,000	300,000
RNG Revenue	350,000	350,000	350,000
Transfer from Reimbursement SDCs	25,904	25,904	27,722
Personnel Services	(13,886,086)	(13,886,087)	(14,049,146)
Materials & Services	(9,632,389)	(10,004,449)	(10,148,557)
Capital Outlay	(380,000)	(380,000)	(1,105,000)
Interfund Transfers	(14,300,000)	(14,300,000)	(15,250,000)
Debt Service - SRF Loan	(103,250)	(103,250)	(102,750)
Debt Service - 2016 Revenue Bond	(4,009,750)	(4,009,750)	(4,005,000)
Working Capital	(900,000)	(900,000)	(900,000)
Insurance Reserve	(1,500,000)	(1,500,000)	(1,500,000)
SRF Loan Reserve	(50,000)	(50,000)	(50,000)
Rate Stability Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Rate Stabilization Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Operating Reserve	\$4,158,782	\$5,869,537	\$4,240,707

CAPITAL RESERVES

The MWMC Capital Budget includes four reserves: the Equipment Replacement Reserve, SDC Reimbursement Reserves, SDC Improvement Reserves, and the Capital Reserve. These reserves accumulate revenue to help fund capital projects including equipment replacement and major rehabilitation. They are funded by annual contributions from user rates, SDCs, and loans. Each reserve is explained in detail below.

EQUIPMENT REPLACEMENT RESERVE

The Equipment Replacement Reserve accumulates replacement funding for three types of equipment: 1) major/stationary equipment items valued over \$10,000 with life expectancy greater than one year; 2) fleet vehicles maintained by the Eugene Wastewater Division; and 3) computer servers that serve the Eugene Wastewater Division. Contributions to the Equipment Replacement Reserve in the FY 24-25 budget total \$2,250,000, additional budget details are provided below.

The Equipment Replacement Reserve is intended to accumulate funds necessary to provide for the timely replacement or rehabilitation of equipment and may also be borrowed against to provide short-term financing of capital improvements. An annual analysis is performed on the Equipment Replacement Reserve. Estimates used in the analysis include replacement costs, interest earnings, inflation rates and useful lives for the equipment.

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
EQUIPMENT REPLACEMENT RESERVE			
Beginning Balance	12,982,786	14,172,383	12,880,662
Annual Equipment Contribution	1,500,000	1,500,000	2,250,000
Interest	68,586	68,586	271,904
Equipment Purchases	(1,835,000)	(3,412,918)	(1,415,000)
Equipment Replacement Reserve	\$12,716,372	\$12,328,051	\$13,987,566

SYSTEM DEVELOPMENT CHARGE (SDC) RESERVES

SDCs are required as part of the MWMC IGA. They are connection fees charged to new users to recover the costs related to system capacity and are limited to funding Capital Programs. The purpose of the SDC Reserves is to collect and account for SDC revenues separately from other revenue sources, in accordance with Oregon statutes. The Commission’s SDC structure includes a combination of “Reimbursement” and “Improvement” fee components. Estimated SDC revenues for FY 24-25 are approximately \$2,500,000. The projected beginning SDC Reserve balance on July 1, 2024 is \$11,706,912.

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
REIMBURSEMENT SDC RESERVE			
Beginning Balance	\$2,110,321	\$2,240,650	\$2,437,714
Reimbursement SDCs Collected	200,000	200,000	270,000
Interest	9,918	9,918	52,300
SDC Compliance Charge	7,000	7,000	8,000
Transfer to Fund 612	(25,904)	(25,904)	(27,722)
Materials & Services	(4,000)	(4,000)	(4,000)
Reimbursement SDC Reserve	\$2,297,335	\$2,427,664	\$2,736,292

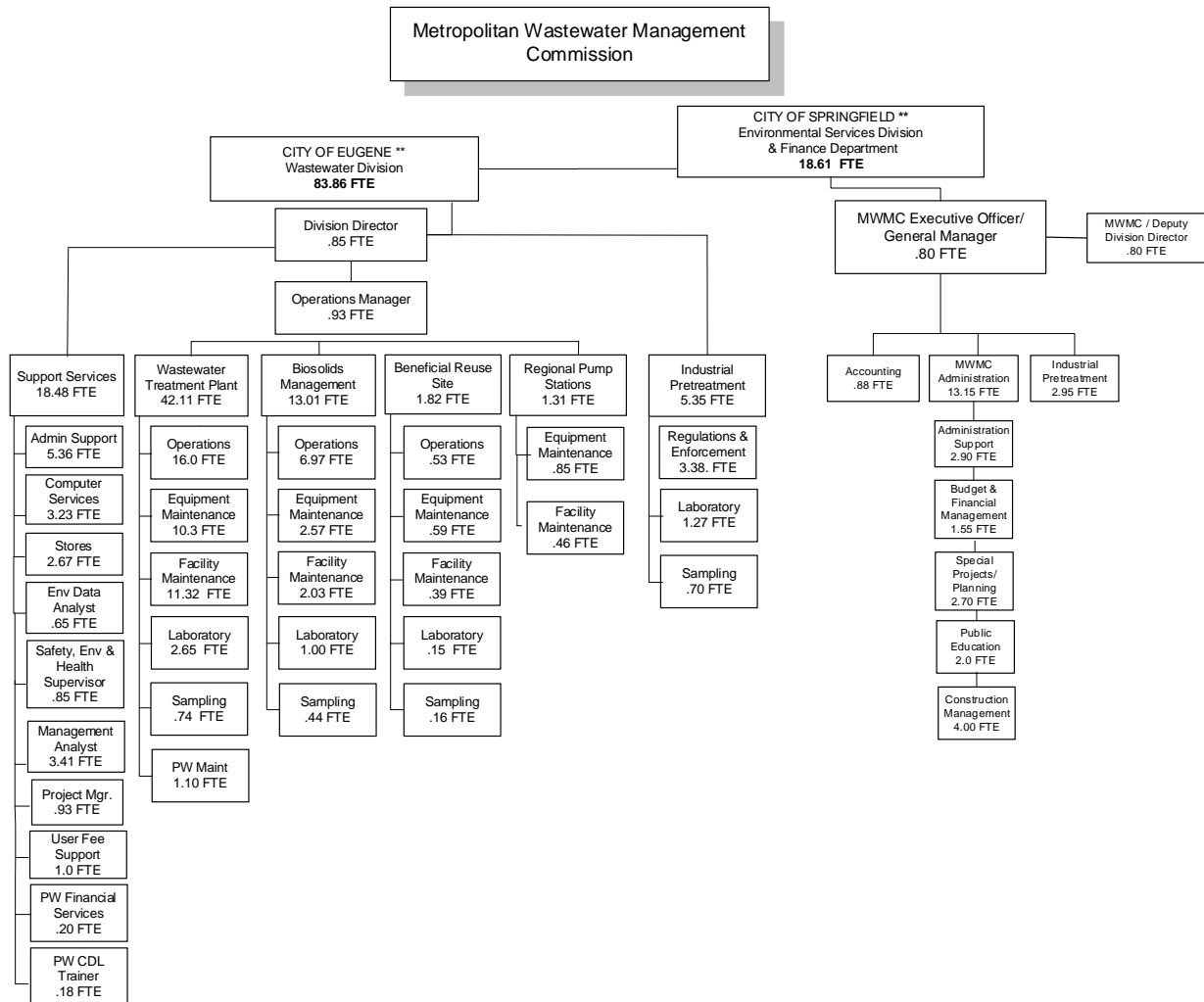
	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
IMPROVEMENT SDC RESERVE			
Beginning Balance	\$9,262,612	\$10,907,458	\$11,269,198
Improvement SDCs Collected	1,800,000	1,800,000	2,500,000
Interest	42,554	42,554	177,662
Materials & Services	(10,000)	(10,000)	(10,000)
Funding for Capital Improvement Projects	(6,654,320)	(6,920,594)	(9,096,280)
Improvement SDC Reserve	\$4,440,846	\$5,819,418	\$4,840,580

CAPITAL RESERVE

The Capital Reserve accumulates funds transferred from the Operating Reserve for the purpose of funding the CIP, Major Capital Outlay and Major Rehabilitation Program costs. The intent is to collect sufficient funds over time to construct a portion of planned capital projects with cash in an appropriate balance with projects that are funded with debt financing. The FY 24-25 Budget includes a contribution from the Operating Reserve of \$13,000,000. The beginning balance on July 1, 2024, is projected to be \$74,407,785. Additional budget detail on the CIP, Major Capital Outlay and Major Rehabilitation Program reserves is provided below.

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
CAPITAL RESERVES			
Beginning Balance	\$68,841,769	\$72,613,300	\$74,407,785
Transfer from Operating Reserve	12,800,000	12,800,000	13,000,000
Interest	298,942	298,942	998,134
Other Income	800	800	800
Funding For Capital Improvement Projects	(58,025,680)	(61,944,963)	(60,023,720)
Funding For Major Rehabilitation	(630,000)	(1,071,682)	(1,820,000)
Funding For Major Capital Outlay	-	(208,430)	(900,000)
Capital Reserve	\$23,285,831	\$22,487,967	\$25,662,999

EXHIBIT 6
REGIONAL WASTEWATER PROGRAM*
ORGANIZATION CHART FY 24-25



Notes:

- * Full-Time Equivalent (FTE) figures represent portions of Eugene and Springfield staff funded by regional wastewater funds.
- ** The chart represents groups of staff dedicated to program areas rather than specific positions.

EXHIBIT 7REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY

CLASSIFICATION	ADOPTED	AMENDED	PROPOSED	FTE CHANGE
	BUDGET FY 23-24	BUDGET FY 23-24	BUDGET FY 24-25	
SPRINGFIELD ENVIRONMENTAL SERVICES & FINANCE				
Accountant	0.80	0.80	0.80	-
Accounting Manager	0.08	0.08	0.08	-
Administrative Specialist	2.70	2.70	2.70	-
Assistant City Manager	0.03	0.03	0.03	-
Civil Engineer	2.00	2.00	2.00	-
Design & Construction Coordinator	1.00	1.00	1.00	-
Deputy Division Director	0.00	0.00	0.80	0.80
Environmental Analyst	1.00	1.00	1.00	-
Environmental Management Analyst	0.90	0.90	0.90	-
Environmental Services Program Manager	0.80	0.80	0.80	-
Environmental Services Supervisor	1.95	1.95	1.95	-
Environmental Services Technician	2.00	2.00	2.00	-
ESD Division Director/MWMC Executive Officer	0.80	0.80	0.80	-
Management Analyst	0.75	0.75	0.75	-
MWMC Managing Engineer	1.00	1.00	1.00	-
Public Information & Education Analyst	2.00	2.00	2.00	-
TOTAL SPRINGFIELD	17.81	17.81	18.61	0.80

EXHIBIT 7 (Continued)

REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY

CLASSIFICATION	ADOPTED	AMENDED	PROPOSED	FTE CHANGE
	BUDGET FY 23-24	BUDGET FY 23-24	ADOPTED FY 24-25	
EUGENE WASTEWATER DIVISION & OTHER PW				
Administrative Specialist	0.95	0.95	0.95	0.00
Administrative Specialist, Sr	1.78	1.78	1.78	0.00
Application Support Technician, Sr	0.95	0.95	0.95	0.00
Application Systems Analyst 2	1.78	1.78	2.28	0.50
Custodian	2.00	2.00	2.00	0.00
Division Director	0.85	0.85	0.85	0.00
Environmental Compliance Specialist	4.64	4.64	4.64	0.00
Environmental Svs Supervisor (Lab, Sampling, ISC)	1.71	1.71	1.71	0.00
Facilities Project Manager	0.65	0.65	0.65	0.00
Finance & Administrative Manager	0.89	0.89	0.89	0.00
Laboratory Assistant	0.82	0.82	0.82	0.00
Laboratory Specialist	2.15	2.47	2.47	0.00
Laboratory Specialist, Sr	1.72	1.72	1.72	0.00
Maintenance Manager	0.93	0.93	0.93	0.00
Maintenance Mechanic	8.20	8.20	8.20	0.00
Maintenance Supervisor	2.88	2.88	2.88	0.00
Maintenance Worker	13.25	13.25	13.25	0.00
Management Analyst	2.67	2.67	2.67	0.00
Management Analyst, Sr	0.00	0.00	1.50	1.50
Operations Manager	0.93	0.93	0.93	0.00
Operations Supervisor (Plant and Residuals)	2.00	2.00	2.00	0.00
Operator (Plant and Residuals)	19.00	20.00	20.00	0.00
Operator, Process Controls Specialist	1.00	1.00	1.00	0.00
PW Engineering Associate	0.35	0.35	0.35	0.00
PW Heavy Equipment and CDL Trainer	0.00	0.00	0.18	0.18
PW Financial Services Manager	0.20	0.20	0.20	0.00
PW Utility Billing Coordinator	1.00	1.00	1.00	0.00
Supply Specialist	1.78	1.78	1.78	0.00
Systems Electrician	4.28	5.28	5.28	0.00
TOTAL EUGENE	79.36	81.68	83.86	2.18
GRAND TOTAL	97.17	99.49	102.47	2.98

**CITY OF SPRINGFIELD
REGIONAL WASTEWATER PROGRAM RESPONSIBILITIES**

The City of Springfield manages administration services for the RWP under the Intergovernmental Agreement for the Metropolitan Wastewater Management Commission (MWMC). The programs maintained by Springfield to support the RWP are summarized below and are followed by Springfield's regional wastewater budget summaries. Activities, and therefore program budgets, for the MWMC administration vary from year to year depending upon the major construction projects and special initiatives underway. A list of the capital projects Springfield staff will support in FY 24-25 is provided in Exhibit 12 on page 47.

Program Responsibilities

- Administration & Management
- Financial Planning & Management
- Long-Range Capital Project Planning
- Project and Construction Management
- Coordination between the Commission and governing bodies
- Coordination and Management of:
 - Risk Management & Legal Services
 - Public Policy Issues
 - Regulatory and Permit Compliance
- Public Information, Education and Outreach
- Industrial Pretreatment Source Control
- Customer Service

MWMC ADMINISTRATION

The Springfield Environmental Services Division (ESD) and Finance Department provide ongoing support and management services for the MWMC. The ESD Director serves as the MWMC Executive Officer and General Manager. Springfield provides the following administration functions: financial planning management, accounting and financial reporting; risk management and legal services; coordination and management of public policy; coordination and management of regulatory and permit compliance issues; coordination between the Commission and the governing bodies; long-range capital project planning and construction management; coordination of public information, education, and citizen involvement programs; sewer user customer service; and coordination and development of regional budgets, rate proposals, and revenue projections.

INDUSTRIAL PRETREATMENT (SOURCE CONTROL) PROGRAM

The Industrial Pretreatment Program is a regional activity implemented jointly by the Cities of Eugene and Springfield. The Industrial Pretreatment section of the ESD is charged with administering the program for the regulation and oversight of wastewater discharged to the sanitary collection system by industries in Springfield. This section is responsible for ensuring that these wastes do not damage the collection system, interfere with wastewater treatment processes, result in the pass-through of harmful pollutants to treated effluent or biosolids, or threaten worker health or safety.

This responsibility is fulfilled, in part, by the use of a permit system for industrial dischargers. This permit system, common to both Eugene and Springfield, implements necessary limitations on waste characteristics and establishes inspection, monitoring, and reporting requirements for documenting waste quality and quantity controls. The Industrial Pretreatment section is also responsible for locating new industrial discharges in Springfield and evaluating the impact of those discharges on the regional WPCF. The Industrial Pretreatment Program also addresses the wastewater discharges of some commercial/industrial businesses through the development and implementation of Pollution Management Practices. Pretreatment program staff also coordinates pollution prevention activities in cooperation with the Pollution Prevention Coalition of Lane County.

ACCOUNTING AND FINANCIAL REPORTING

Accounting and financial reporting services for the RWP are provided by the Accounting division in the Springfield Finance Department, in coordination with ESD. Springfield Accounting staff provides oversight of financial control systems, ensures compliance with all local, state and federal accounting requirements for MWMC including debt management and treasury management services. This division also assists ESD with preparation of the MWMC budget, capital financing documents, sewer user rates, and financial policies and procedures.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 24-25, the City of Springfield will support the following major regional initiatives in addition to ongoing Commission administration and industrial pretreatment activities:

- Continue public information, education and outreach activities focused on the MWMC's Key Outcomes and Communication Plan objectives to increase awareness of the MWMC's ongoing efforts in maintaining water quality and a sustainable environment.
- Implement Capital Financing strategies necessary to meet current debt obligations, prepare for additional debt financing, and ensure sufficient revenues in accordance with the MWMC Financial Plan.
- Continue implementation of the 2004 MWMC Facilities Plan and 2014 Partial Facilities Plan Update to meet all regulatory requirements and capacity needs. Considering emerging environmental regulations that may impact the operation of the WPCF.
- Protect the Regional Wastewater Program (RWP) interests through participation in Association of Clean Water Agencies activities.
- Coordinate temperature Total Maximum Daily Load (TMDL) compliance through continued development and implementation of the thermal load mitigation strategy, including but not limited to a recycled water program.
- Continue participation with the Association of Clean Water Agencies and the Department of Environmental Quality on regulatory permitting strategies and the development of water quality trading rules.
- Implement resiliency planning to ensure protection of public health and safety following natural disasters such as earthquakes and floods.
- Planning operationally and financially to continue the MWMC's NPDES permit requirements, the DEQ permit was issued on November 1, 2022 and will expire on September 30, 2027.

BUDGET CHANGES FOR FY 24-25

The budget for Springfield Personnel Services, Materials and Services, and Capital Outlay for FY 24-25 totals \$5,705,104 representing an overall increase of \$389,157 or 7.3% from the adopted FY 23-24 budget, as displayed in Exhibit 8 on page 33.

Personnel Services

Personnel Services totaling \$2,705,811 represents a FY 24-25 increase of \$163,060 or 6.4% above the originally adopted FY 23-24 budget. The notable changes are summarized below:

Staffing

The FY 24-25 staffing budget includes a relatively flat number of Full Time Equivalent (FTEs) resulting in a total staffing level at 18.61 FTE in Springfield which increased by 0.80 as summarized below:

Regular Salaries and Overtime - \$1,769,254 an increase of \$123,740 or 7.5%

Salaries are based upon the negotiated management/labor contracts as approved by the Springfield City Council, and staffing levels.

Employee Benefits - \$516,394 an increase of \$47,507 or 9.2%

The employee benefits consist mainly of PERS/OPSRP retirement system costs, FICA and Medicare contributions.

Health Insurance - \$353,456, a decrease of \$9,896 or 0.2%

The small increase is based on group claims experience and cost projections. Costs are calculated based on the number of employees.

Materials and Services

The Materials and Services budget total is \$2,999,293 in FY 24-25, representing an increase of \$226,168 or 8.2% above the adopted FY 23-24 budget. The notable changes are summarized below:

Billing & Collection Expense - \$927,000, an increase of \$27,000 or 3.0%

The \$27,000 increase includes contracted billing services for Eugene and Springfield utility billing services combined, as funded through the Springfield portion of the regional budget. The increase reflects growth in customer transactions and billing service contracts.

Property & Liability Insurance - \$540,000, an increase of \$90,000 or 20.0%

The \$90,000 increase reflects insurance on newly constructed infrastructure and maintaining incremental increases on existing assets for property insurance coverage. Including services provided by the MWMC Agent of Record for property/liability coverage.

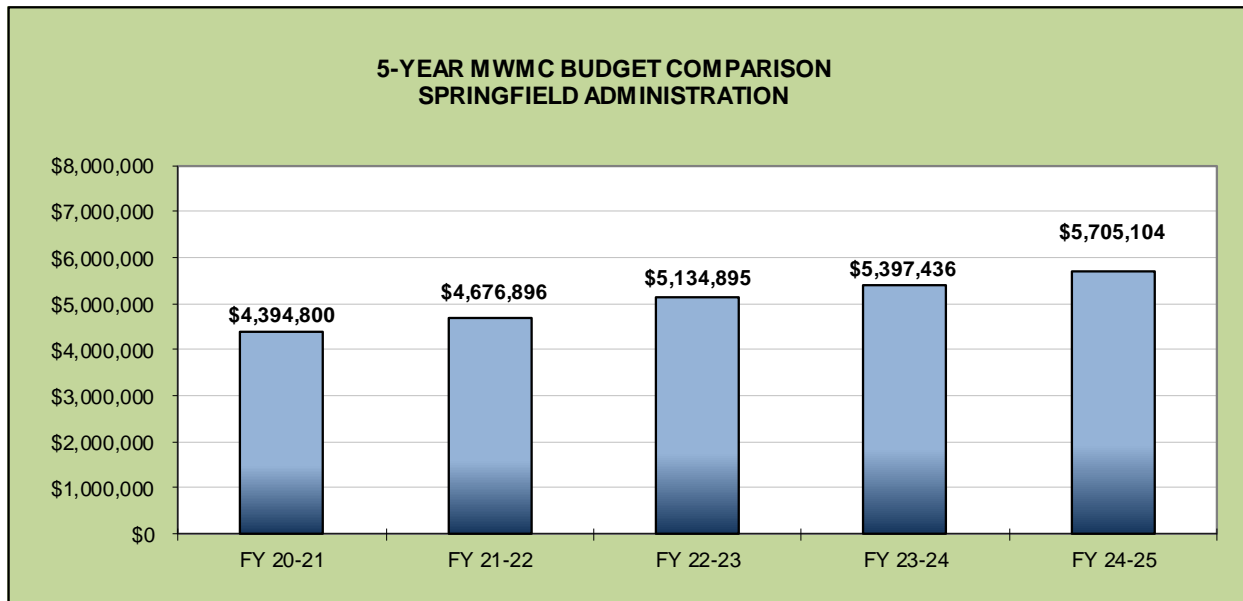
Internal & Indirect Charges Combined - \$665,908, a decrease of \$18,052 or 7.4%

The \$18,052 decrease is based on changes in overhead costs as programmed in the FY 24-25 budget, when compared FY 23-24. Internal charges are determined by the City of Springfield, and indirect costs are based on a methodology approved by the federal government, which is outlined in the MWMC Intergovernmental Agreement.

EXHIBIT 8

**SPRINGFIELD ADMINISTRATION PROGRAM
PROPOSED FY 24-25
BUDGET SUMMARY**

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE *	
					INCR/(DECR)	
Personnel Services	\$2,278,315	\$2,542,751	\$2,542,751	\$2,705,811	\$163,060	6.4%
Materials & Services	2,309,230	2,773,197	3,017,354	2,999,293	226,096	8.2%
Capital Outlay	0	0	85,000	0	0	0.0%
Budget Summary	\$4,587,545	\$5,315,948	\$5,645,105	\$5,705,104	\$389,157	7.3%



Note: * Change column compares the adopted FY 24-25 Budget to the adopted FY 23-24 Budget.

EXHIBIT 9

SPRINGFIELD ADMINISTRATION
LINE ITEM BUDGET SUMMARY

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE INCR/(DECR)	
<u>PERSONNEL SERVICES</u>						
Regular Salaries	\$1,463,144	\$1,639,623	\$1,639,623	\$1,763,228	\$123,605	7.5%
Overtime	0	5,891	5,891	6,026	135	2.3%
Employee Benefits	509,985	533,885	533,885	583,101	49,216	9.2%
Health Insurance	305,186	363,352	363,352	353,456	(9,896)	-2.7%
Total Personnel Services	\$2,278,315	\$2,542,751	\$2,542,751	\$2,705,811	\$163,060	6.4%
FTE	16.56	17.81	17.81	18.61	0.80	4.5%
<u>MATERIALS & SERVICES</u>						
Billing & Collection Expense	\$821,832	\$900,000	\$900,000	\$927,000	\$27,000	3.0%
Property & Liability Insurance	418,993	450,000	450,000	540,000	90,000	20.0%
Contractual Services	52,010	206,373	206,373	281,373	75,000	36.3%
Attorney Fees and Legal Expense	48,959	184,522	184,522	184,522	0	0.0%
WPCF/NPDES Permits	184,711	185,000	185,000	190,550	5,550	3.0%
Materials & Program Expense	95,664	96,890	341,047	142,725	45,835	47.3%
Computer Software & Licenses	11,413	16,382	16,382	16,532	150	0.9%
Employee Development	6,438	24,616	24,616	25,193	577	2.3%
Travel & Meeting Expense	14,034	25,454	25,454	25,490	36	0.1%
Internal Charges	279,456	281,292	281,292	254,045	(27,247)	-9.7%
Indirect Costs	375,720	402,668	402,668	411,863	9,195	2.3%
Total Materials & Services	\$2,309,230	\$2,773,197	\$3,017,354	\$2,999,293	\$226,096	8.2%
<u>CAPITAL OUTLAY</u>						
Total Capital Outlay	\$0	\$0	\$85,000	\$0	\$0	0.0%
TOTAL	\$4,587,545	\$5,315,948	\$5,645,105	\$5,705,104	\$389,156	7.3%

**CITY OF EUGENE
REGIONAL WASTEWATER PROGRAM RESPONSIBILITIES**

The Wastewater Division for the City of Eugene manages all regional wastewater pollution control facilities serving the areas inside the Eugene and Springfield Urban Growth Boundaries under the Intergovernmental Agreement for the Metropolitan Wastewater Management Commission (MWMC). These regional facilities include the Eugene/Springfield Regional Water Pollution Control Facility (WPCF), the Biosolids Management Facility, the Beneficial Reuse Site, the Biocycle Farm site, and regional wastewater pumping stations and transmission sewers.

- Program Responsibilities**
- Facility Operations
 - Facility Maintenance
 - Biosolids Management
 - Environmental Services
 - Management Information Services
 - Administration and Management

In support of the water pollution control program, the division provides technical services for wastewater treatment, management of equipment replacement and infrastructure rehabilitation, biosolids land application, regional laboratory services, resource recovery operations, and an industrial source control and pretreatment program in collaboration with environmental services staff at City of Springfield.

REGIONAL WASTEWATER TREATMENT - FACILITY OPERATIONS

The Wastewater Division operates the WPCF to treat residential, commercial, and industrial wastes to achieve an effluent quality that protects the beneficial uses of the Willamette River. The Operations section optimizes wastewater treatment processes to ensure effluent quality requirements are met in an efficient and cost effective manner. In addition, the Operations section provides continuous monitoring of the alarm functions for all plant processes, regional and local pump stations, the Biosolids Management Facility (BMF), and the Beneficial Reuse Site (BRS).

REGIONAL WASTEWATER TREATMENT - FACILITY MAINTENANCE

The mechanical, electrical, and facilities maintenance sections of the Wastewater Division are responsible for preservation of the multi-million-dollar investment in the equipment and infrastructure of the WPCF, regional pump stations, pressure sewers, as well as the BMF, BRS, and Biocycle Farm. These sections provide a preventative maintenance program to maximize equipment life and reliability; a corrective maintenance program to repair unanticipated failures; and a facility maintenance program to maintain the buildings, treatment structures, and grounds.

BIOSOLIDS AND RECYCLED WATER MANAGEMENT

The Residuals Management section of the Wastewater Division operates the BMF and Biocycle Farm to process and land apply biological solids (biosolids) produced as a result of the activated sludge treatment of wastewater. After further processing the biosolids from the WPCF, the dried material is applied to approved agricultural land. Biosolids are also applied on poplar trees at the Biocycle Farm as a beneficial nutrient and soil conditioner. In addition, this section utilizes recycled water for the processing of biosolids and for irrigation. This section also operates the BRS, which formerly served to treat wastewater from food processing operations.

ENVIRONMENTAL SERVICES

Environmental Services is comprised of Industrial Source Control (Pretreatment), Analytical Services, and Sampling Team.

Industrial Source Control (ISC) - The pretreatment program is a regional activity implemented jointly by the cities of Eugene and Springfield. The ISC group of the Wastewater Division is charged with administering the pretreatment program for the regulation and oversight of commercial and industrial wastewaters discharged to the wastewater collection system by fixed-site industries in Eugene and by mobile waste haulers in the Eugene and Springfield areas. This group is also responsible for ensuring that these wastes do not damage the collection system, interfere with wastewater treatment processes, result in the pass-through of harmful pollutants to treated effluent or biosolids, or threaten worker health or safety.

This responsibility is fulfilled through the use of a permit and discharge authorization system for industrial and commercial users of the wastewater collection system. This permit system, common to both Eugene and Springfield, implements necessary prohibitions and limitations on waste characteristics and establishes inspection, monitoring, and reporting requirements for documenting waste quality and quantity controls. The staff is also responsible for locating new industrial and commercial discharges in Eugene and evaluating the impact of their discharges on the WPCF. The section also has responsibilities related to environmental spill response activities.

Analytical Services - The Analytical Services group provides analytical laboratory work in support of wastewater treatment, residuals management, industrial source control, stormwater monitoring, and special project activities of the Wastewater Division. The laboratory's services include sample handling and analyses of influent sewage, treated wastewater, biosolids, industrial wastes, stormwater, surface water, and groundwater. Information from the laboratory is used to evaluate the performance of the treatment process, make treatment process control decisions, document compliance with regulatory requirements, demonstrate environmental protection, and ensure worker health and safety.

Sampling Team - The Sampling Team is responsible for sampling and field monitoring activities related to regional wastewater program functions. These include the Eugene pretreatment program, wastewater treatment process control, effluent and ambient water quality, groundwater quality, facultative sludge lagoons, biosolids, application site soils, stormwater samples, and natural gas quality samples.

MANAGEMENT INFORMATION SERVICES (MIS)

The MIS section provides services for electronic data gathering, analysis, and reporting in compliance with regulatory requirements and management functions. This section also maintains the network communication linkages with the City of Eugene and supplies technical expertise and assistance in the selection, operation, and modification of computer systems (hardware and software) within the division.

ADMINISTRATIVE AND MANAGEMENT SERVICES

Administrative Services provides management, administrative, and office support to the Wastewater Division. This support includes the general planning, directing, and managing of the activities of the division; development and coordination of the budget; administration of personnel records; and processing of payroll, accounts payable, and accounts receivable. This section also provides tracking and monitoring of all assets for the regional wastewater treatment facilities and support for reception, customer service, and other administrative needs. The administrative services include oversight and coordination of the division's Environmental Management System (EMS), safety, and training programs, and an inventory/storeroom section that purchases and stocks parts and supplies and assists with professional services contracting. The administrative services section also collaborates and coordinates with partner agencies on the local and regional billing and rate activities.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 24-25, Eugene staff will support the following major regional initiatives in addition to ongoing operations and maintenance activities.

- Manage the Operations & Maintenance (O&M) responsibilities of the NPDES wastewater discharge permit for the treatment of wastewater and the Lane Regional Air Protection Agency (LRAPA) air emissions permit for the regional wastewater treatment plant.
- Manage the O&M responsibilities of the Renewable Natural Gas (RNG) facility to maximize production of renewable fuel and the associated renewable fuel standard credits.
- Provide technical input and O&M assessments related to proposed/newly adopted environmental regulations, renewable energy objectives, and operational resiliency. This includes impact evaluations of the regulatory actions upon operational responsibilities such as the federal sanitary sewer overflows (SSO), blending policy development, Willamette River TMDLs implementation, and any newly adopted state water quality standards.
- Complete scheduled major rehabilitation, equipment replacement, and other capital projects in an efficient and timely manner.
- Work cooperatively on CIP elements and effectively integrate capital project work with ongoing O&M activities with an emphasis on maintaining an effective CIP management and coordination program with Springfield staff.
- Manage the O&M aspects of the BMF and the Biocycle Farm, continuing biosolids land application practices and poplar tree management.

SIGNIFICANT CHANGES IN THE O&M BUDGET FOR FY 24-25

The FY 24-25 budget for Operations and Maintenance of the regional wastewater treatment facilities (i.e., personnel, materials and services, and capital outlay) totals \$19,611,600. The amount represents a grand-total increase of \$1,015,000 or 5.5% from the FY 23-24 operating budget.

Important to note that for FY 24-25, the largest line-item change to planned expenses is for Capital Outlay (new) operating items, which totals \$1,105,000 or a \$725,000 increase (90.8%) over the prior budget year. By excluding capital outlay from the planned operating expenses for FY 24-25, the increase for only Personnel and Materials & Services is \$290,000 or 1.6% over FY 23-24.

In the Materials & Services section of the Line Item Budget Summary for Eugene O&M, significant adjustments are shown for itemized expenses due to the inclusion of a new line item for Administrative Charges-EWEB. Historically, the administrative charges for EWEB had been included as a distribution across the M&S line-item expenses, such as Contractual Services, Materials and Program Expense, Computer Equipment and Supplies, etc. This adjustment shows the actual and budgeted expenses more clearly. For FY 24-25 and going forward, by including the line item for Administrative Charges-EWEB, there will be greater transparency upon reviewing all of the planned line-item expenses in the O&M budget and for comparison of budget-to-actual expenses in prior fiscal years.

Aside from the M&S adjustments due to the inclusion of a line item for Administrative Charges-EWEB, the significant changes in the O&M budget for FY 24-25 are described below in detail.

Personnel Services

Personnel Services totaling \$11,343,336 for FY 24-25 represents no change from the amount budgeted for FY 23-24. The City of Eugene prepares two-year budgets (i.e., two fiscal years as one biennium), whereas the MWMC prepares single fiscal-year budgets, so the Eugene O&M portion of the FY 24-25 MWMC budget represents the second half of Eugene's 2023-2025 fiscal biennium.

The personnel expenses in the City of Eugene budget were adopted for two fiscal years, including expenses for the addition of 4.5 Full-Time Equivalent (FTE) positions over the course of two years. The Eugene O&M portion of the FY 23-24 MWMC budget included the first year (one half) of the personnel expenses and inclusion of 2.32 FTE, and the FY 24-25 budget includes the second half of the personnel expenses and inclusion of 2.18 FTE. Therefore, the 8.4% increase for personnel expenses documented in the FY 23-24 MWMC budget for Eugene O&M represented the increase for two fiscal years with the addition of 4.5 FTE.

The change in Full-Time Equivalent (FTE) positions increased from 79.36 to 81.68 FTE in the FY 23-24 budget year and will increase again from 81.68 to 83.86 FTE in the FY 24-25 budget year. Adjustments to Eugene O&M staffing occurred in FY 23-24 and are planned for FY 24-25, which are summarized and described as follows:

The 2.32 FTE positions added in the FY 23-24 budget year for Eugene O&M included:

1.0 FTE – Systems Electrician 1

Addition of one electrician was in response to the additional workload caused by capital improvements at MWMC facilities and increased maintenance needs for aging infrastructure.

1.0 FTE – WW Operator 1

Adding one operator was needed due to the added workload from the Renewable Natural Gas (RNG) facility and the increased staff time needed for process control and facility optimization resulting from the capital improvements and process changes.

0.32 FTE – Laboratory Specialist

The laboratory Specialist position was staffed at 0.5 FTE and needed to be increased to 0.82 FTE due to added workload resulting from the new NPDES permit requirements.

The 2.18 FTE positions planned for FY 24-25 budget year will include:

0.85 FTE – Emergency Preparedness and Safety Manager (MA, Sr)

This position was filled by existing staff in 2023 as a term-limited career development opportunity, and recruitment for the full-time regular position was postponed until 2024. Senior Management Analyst position is needed to fully implement the safety programs at MWMC facilities, including services related to health and safety in an industrial setting, emergency preparedness, and disaster response and recovery.

0.50 FTE – Application Systems Analyst 2

Addition of an Application Systems Analyst position is due to greater need for more support specific to software and applications, database maintenance and debugging, cybersecurity, and systems development. New utility billing software is also currently in development and used by Eugene Public Works to load user accounts and billing data into the EWEB billing system, which includes MWMC/regional wastewater user-fee charges. ASAs from the Wastewater Division are collaborating on portions of the software development and will then provide system support once the new software goes live in 2025.

0.65 FTE – Regulatory and Data Analyst (MA, Sr.)

Professional services are contracted throughout the year to provide NPDES related reporting, LRAPA reporting, RNG reporting, stormwater monitoring and reporting on MWMC facilities, and the annual groundwater monitoring report for the BMF. Additional staffing of 0.65 FTE for Senior Management Analyst (Regulatory and Data Analyst) will replace the need for contracted services to provide the required reporting for compliance with local, state, and federal requirements.

0.18 FTE – Heavy Equipment and CDL Training Instructor

Eugene Public Works has distributed the personnel expense for 1.0 FTE across the department for a Heavy Equipment and Commercial Driver License (CDL) Trainer position. The distributed cost share is 0.18 FTE, as much of the heavy equipment is used at MWMC facilities (i.e., dump trucks, semi tractor-trailers, cranes, etc.).

Materials and Services

The Materials and Services budget totaling \$7,163,264 represents an FY 24-25 increase of \$290,000 or 4.2%. Aside from the adjustments due to inclusion of the line item for Administrative Charges-EWEB, other significant changes for M&S are planned as follows:

Utilities – \$1,450,000, a net increase of \$28,000 or 2.0%

An increase in planned utility expenditure is needed, anticipating more uptime from the RNG facility and considering utility rate increases for large general service customers in FY 24-25.

Fleet Operating Charges – \$593,000, a net increase of \$38,895 or 7.0%

The internal rates and charges from Public Works Fleet Services are budgeted to increase due to economic factors for fuel, automotive electronics, parts and equipment.

Chemicals – \$885,000, a net increase of \$84,500 or 10.6%

The costs for hypochlorite, sodium bisulfite, and polymer (both dry and liquid) have increased due to economic factors. Unit prices are established through regional competitive price agreements, and resupply orders are placed depending on the timing of treatment process and O&M activity. Planned expenditure for the H2S filter media specific to the Renewable Natural Gas (RNG) facility is also budgeted within the chemicals line item.

Parts & Components – \$635,000, a net increase of \$217,000 or 51.9%

Capital improvements have increased the type and quantity of parts and components needed for O&M in addition to the increase in unit costs for parts and components due to economic factors.

Indirect Charges – \$1,225,000, a net decrease of \$75,000 or -5.8%

This line item has been budgeted high for several years and will be decreased for FY 24-25 to better align budget to actual expenses.

Capital Outlay - Budget

The FY 24-25 Capital Program budget includes \$1,105,000 for the Capital Outlay items listed below:

Capital Outlay	
Project Description	FY 24-25 Proposed Budget
Fire Alarm System Upgrade, Design Engineering, Plant and BMF	\$250,000
Seismic Upgrades – Phase 1	200,000
Facilities O&M Manuals/Training Software	200,000
Hot Water Loop Optimization, Plant	200,000
Ops-Admin Furniture, Computers and Media Equipment, Phase 1	120,000
RNG Instrumentation Upgrade	85,000
pH and Conductivity Probes, Regional Pump Stations	50,000
Total	\$1,105,000

Fire Alarm System Upgrade – Replacement of in-house assembled alarm systems in the outlying buildings at the treatment plant with an industry-standard package system.

Seismic Upgrades, Phase 1 – Engineering design for the initial seismic improvements to buildings identified in the Resiliency Planning Project (P80096).

Facilities O&M Manuals/Training Software – O&M software integration would enable more comprehensive training for new operators and provide on-demand information to operate and maintain the facility.

Hot Water Loop Optimization – Optimization of the digester heating loop at the plant to improve efficiency and evaluate compliance with DEQ redundancy requirements.

Ops-Admin Furniture, Computers and Media Equipment – Furnishings and media equipment for the larger building space and additional conference rooms once the Ops-Admin Building Project (P80104) is completed.

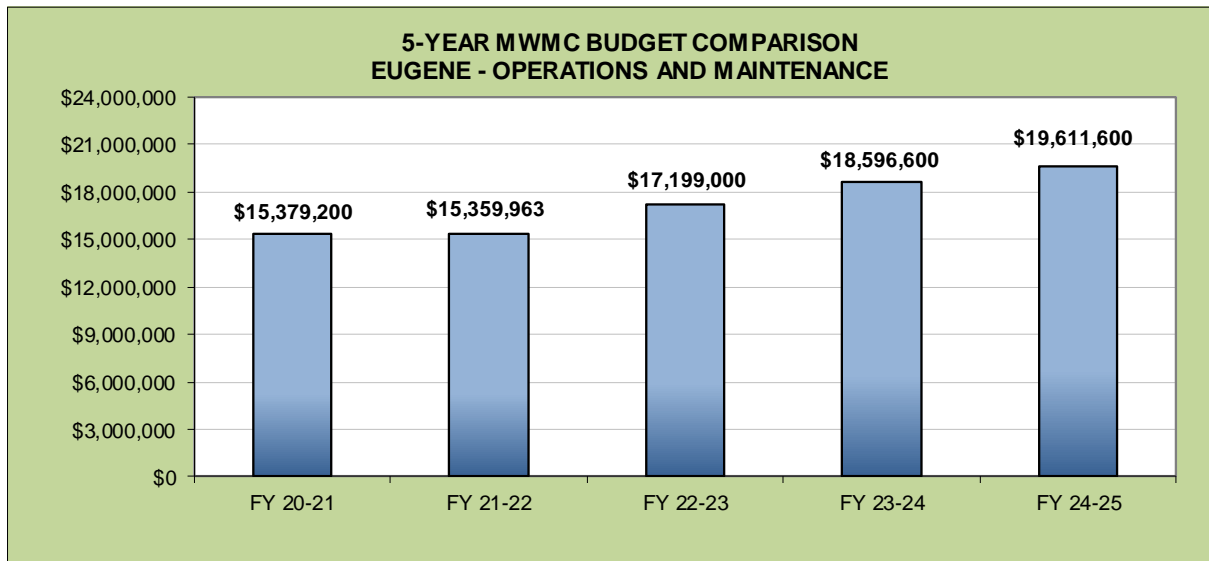
RNG Instrumentation Upgrade – Instrumentation is required to comply with new EPA Renewable Fuel Standard Set Rule.

pH and Conductivity Probes – Additional instrumentation to expand collection system monitoring.

EXHIBIT 10

**EUGENE - OPERATIONS AND MAINTENANCE PROGRAM
PROPOSED FY 24-25
BUDGET SUMMARY**

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE * INCR/(DECR)	
Personnel Services	\$10,058,646	\$11,343,336	\$11,343,336	\$11,343,336	\$0	0.0%
Materials & Services	6,921,210	6,873,264	6,873,264	7,163,264	290,000	4.2%
Capital Outlay	96,930	380,000	380,000	1,105,000	725,000	N/A
Budget Summary	\$17,076,786	\$18,596,600	\$18,596,600	\$19,611,600	\$1,015,000	5.5%



NOTE: Does not include Major Rehabilitation or Equipment Replacement

EXHIBIT 11

EUGENE - OPERATIONS & MAINTENANCE
LINE ITEM BUDGET SUMMARY

	ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE INCR/(DECR)	
<u>PERSONNEL SERVICES</u>						
Regular Salaries	\$5,956,034	\$6,457,996	\$6,457,996	\$6,437,646	(\$20,350)	-0.3%
Overtime	78,277	57,650	57,650	78,000	20,350	35.3%
Employee Benefits	2,553,016	2,858,032	2,858,032	2,858,032	-	0.0%
Paid Family Med Leave Insurance	0	32,288	32,288	32,288	-	0.0%
Workers' Comp/Unemploy Ins	122,808	130,292	130,292	130,292	-	0.0%
Health Insurance	\$1,348,511	\$1,807,078	\$1,807,078	\$1,807,078	-	0.0%
Total Personnel Services	\$10,058,646	\$11,343,336	\$11,343,336	\$11,343,336	\$0	0.0%
FTE	79.36	81.68	81.68	83.86	2.18	2.7%
<u>MATERIALS & SERVICES</u>						
Utilities	\$1,378,962	\$1,422,000	\$1,422,000	\$1,450,000	\$28,000	2.0%
Fleet Operating Charges	592,395	554,141	554,141	593,000	38,859	7.0%
Maintenance-Equip & Facilities	227,162	237,789	237,789	236,264	(1,525)	-0.6%
Contractual Services	408,521	747,400	443,102	410,000	(337,400)	-45.1%
Materials & Program Expense	532,079	752,231	551,977	532,000	(220,231)	-29.3%
Administrative Charges - EWEB	680,002	0	659,900	730,000	730,000	0.0%
Chemicals	882,785	800,500	800,500	885,000	84,500	10.6%
Parts & Components	635,351	418,000	418,000	635,000	217,000	51.9%
Risk Insurance - Employee Liability	61,869	71,203	71,203	63,000	(8,203)	-11.5%
Computer Equip, Supplies, Maint	402,556	570,000	414,652	404,000	(166,000)	-29.1%
Indirects	1,119,528	1,300,000	1,300,000	1,225,000	(75,000)	-5.8%
Total Materials & Services	\$6,921,210	\$6,873,264	\$6,873,264	\$7,163,264	\$290,000	4.2%
<u>CAPITAL OUTLAY</u>						
Capital Outlay - Other	\$96,930	\$380,000	\$380,000	\$1,105,000	\$725,000	90.8%
Total Capital Outlay	\$96,930	\$380,000	\$380,000	\$1,105,000	\$725,000	90.8%
TOTAL	\$17,076,786	\$18,596,600	\$18,596,600	\$19,611,600	\$1,015,000	5.5%

CAPITAL PROGRAM

REGIONAL WASTEWATER PROGRAM CAPITAL PROGRAMS

Overview

The Regional Wastewater Program (RWP) includes two components: the Capital Improvement Program (CIP) and the Asset Management Capital Program (AMCP). The FY 24-25 CIP Budget, the FY 24-25 AMCP Budget, and the associated 5-Year Capital Plan are based on the following: 2004 MWMC Facilities Plan (2004 FP), 2014 Partial Facilities Plan Update, Resiliency Planning Study (Disaster Mitigation & Recovery Plan – March 2020), and recent 2023 infrastructure evaluation. The 2004 FP was approved by the MWMC, the governing bodies of the City of Eugene, the City of Springfield, Lane County, and the Oregon Department of Environmental Quality (DEQ). The 2004 FP and its 20-year capital project list was the result of a comprehensive evaluation of the regional wastewater treatment facilities serving the Eugene-Springfield metropolitan area. The DEQ renewed the MWMC NPDES permit #102486 that became effective on November 1, 2022.

The 2004 FP built on previous targeted studies, including the 1997 Master Plan, 1997 Biosolids Management Plan, 2001 Wet Weather Flow Management Plan (WWFMP), and the 2003 Management Plan for a dedicated biosolids land application site. The 2004 FP was intended to meet changing regulatory and wet weather flow requirements and to serve the community’s wastewater capacity and treatment needs through 2025. Accordingly, the 2004 FP established the CIP project list to provide necessary facility enhancements and expansions over the planning period. The CIP is administered by the City of Springfield for the MWMC. The AMCP implements the projects and activities necessary to maintain functionality, lifespan, and effectiveness of the MWMC facility assets on an ongoing basis. The AMCP is administered by the City of Eugene for the MWMC and consists of three sub-categories:

- Equipment Replacement Program
- Major Rehabilitation Program
- Major Capital Outlay

The MWMC has established these capital programs to achieve the following RWP objectives:

- Compliance with applicable local, state, and federal laws and regulations
- Protection of the health and safety of people and property from exposure to hazardous conditions such as untreated or inadequately treated wastewater
- Provision of adequate capacity to facilitate community growth in the Eugene-Springfield metropolitan area consistent with adopted land use plans
- Construction, operation, and management of MWMC facilities in a manner that is as cost-effective, efficient, and affordable to the community in the short and long term
- Mitigation of potential negative impacts of the MWMC facilities on adjacent uses and surrounding neighborhoods (ensuring that the MWMC facilities are “good neighbors” as judged by the community)

Capital Program Funding and Financial Planning Methods and Policies

This annual budget document presents the FY 24-25 CIP Budget, the FY 24-25 AMCP Budget, and 5-Year Capital Plan which includes the CIP and AMCP Capital Plan. The MWMC CIP financial planning and funding methods are in accordance with the financial management policies put forth in the MWMC 2019 Financial Plan.

Each of the two RWP capital programs relies on funding mechanisms to achieve the objectives described above. The CIP is funded primarily through Capital Reserves, which may include proceeds from revenue bond sales, financing through the State of Oregon DEQ Clean Water State Revolving Fund loan program, System Development Charges, and transfers from the Operating Fund to Capital Reserves.

The RWP's operating fund is maintained to pay for operations, administration, debt service, equipment replacement contributions and capital contributions associated with the RWP. The operating fund derives most of its revenue from regional wastewater user fees that are collected by the City of Eugene and City of Springfield from their respective customers. In accordance with the MWMC Financial Plan, funds remaining in excess of budgeted operational expenditures can be transferred from the Operating Fund to the Capital Reserve fund. The Capital Reserve accumulates revenue to fund capital projects, including major rehabilitation, to reduce the amount of borrowing necessary to finance capital projects. In addition, the CIP is funded with System Development Charges for the projects that qualify.

The AMCP consists of three programs managed by the City of Eugene and funded through regional wastewater user fees. The *Equipment Replacement Program*, which funds replacement of equipment valued at or over \$10,000 with a life expectancy greater than one year; the *Major Rehabilitation Program*, which funds rehabilitation of the MWMC infrastructure such as roof replacements, structure coatings, etc.; and the *Major Capital Outlay Program* for the initial purchase of major equipment that will be placed on the equipment replacement list, or a one-time large capital expense. Some projects are created with a CIP project sheet due to the nature and complexity of the project. The MWMC assets are tracked throughout their lifecycle using asset management tracking software. Based on this information, the three AMCP program annual budgets are established and projected for the 5-Year Capital Plan.

For planning purposes, MWMC considers market changes that drive capital project expenditures. Specifically, the MWMC capital plan reflects projected price changes over time that affect cost of materials, supply chain impacts, and services. Accordingly, the 2004 FP projections were based on the 20-city average *Engineering News Record Construction Cost Index* (ENRCCI). In addition, City of Springfield staff and MWMC design consultants monitor construction trends in Oregon and supply chain issues.

Regional Wastewater Capital Program Status and Budget

CIP Project Status and Budget

The FY 24-25 CIP Budget is comprised of the individual budgets for each of the active (carryover) or starting (new) projects in the first year of the 5-Year Capital Plan. The total of these FY 24-25 project budgets is \$69,120,000. Each capital project represented in the FY 24-25 Budget is described in detail in a CIP project sheet that can be found at the end of this document. Each project sheet provides a description of the project, the project's purpose/driver (the reason for the project), the funding schedule for the project, and the project's expected final cost and cash flow information. For those projects that are in progress, a short status report is included on the project sheet. In 2019, the MWMC Resiliency Planning consultant study focused on seismic (Cascadia magnitude 9.0 earthquake) and major flooding event(s) and recommended some infrastructure multi-year improvements for consideration during the CIP Budgeting process.

Completed Capital Projects

The following capital projects were completed in FY 23-24:

- Poplar Harvest Management Services - P80083

Carryover Capital Projects

All or a portion of remaining funding for active capital projects are carried forward to the MWMC FY 24-25 budget. The on-going carryover projects are:

- Administration Building Improvements - P80104
- Electrical Switchgear & Transformer Replacement - P80115
- Water Quality Trading Program - P80112
- Class A Disinfection Facilities - P80098
- Aeration Basin Upgrades (2023-2026) - P80113
- Glenwood Pump Station Upgrade - P80064
- Comprehensive Facility Plan Update - P80101
- WPCF Stormwater Infrastructure - P80111
- Resiliency Follow-Up - P80109
- Recycled Water Demonstration Projects - P80099

Overall, the budgeting for these projects follows, and is consistent with, the estimated cost of the listed capital projects and new information gathered during the MWMC design development process.

New Projects for FY 24-25

- Waste Activated Sludge Thickening - P80078
- Repair Clarifiers & Final Treatment - P80118
- Facility Plan Engineering Services - P80110

FY 24-25 Capital Budget Summary (Exhibit 12)

Exhibit 12 displays the adjusted budget and end-of-year expenditure estimates for FY 23-24, the amount of funding projected to be carried over to FY 24-25 and additional funding for existing and/or new projects in FY 24-25.

EXHIBIT 12**Summary of FY 24-25 MWMC Construction Program Capital Budget**

	FY 23-24 ADJUSTED BUDGET	FY 23-24 ESTIMATED ACTUALS	FY 23-24 CARRYOVER TO FY 24-25	NEW FUNDING FOR FY 24-25	TOTAL FY 24-25 BUDGET
Project to be Completed in FY 23-24					
Poplar Harvest Management Services	258,891	258,800	0	0	0
Projects to be Carried Over to FY 24-25					
Administration Building Improvements	18,454,853	4,254,853	14,200,000	8,000,000	22,200,000
Electrical Switchgear & Transformer Replacement	19,882,462	3,282,462	16,600,000	0	16,600,000
Water Quality Trading Program	12,239,974	769,974	11,470,000	0	11,470,000
Class A Disinfection Facilities	6,825,572	225,572	6,600,000	1,500,000	8,100,000
Aeration System Upgrades (2023 to 2026)	4,195,765	1,595,765	2,600,000	600,000	3,200,000
Glenwood Pump Station Upgrade	1,898,846	198,846	1,700,000	0	1,700,000
Comprehensive Facilities Plan Update	3,215,206	1,765,206	1,450,000	0	1,450,000
WPCF Stormwater Infrastructure	400,000	80,000	320,000	200,000	520,000
Resiliency Follow-Up	1,289,367	230,000	300,000	0	300,000
Recycled Water Demonstration Projects	334,621	34,621	80,000	0	80,000
New Projects in FY 24-25					
Waste Activated Sludge Thickening	0	0	0	1,500,000	1,500,000
Repair Clarifiers & Final Treatment	0	0	0	1,500,000	1,500,000
Facility Plan Engineering Services	0	0	0	500,000	500,000
TOTAL Capital Projects	\$68,995,557	\$12,696,099	\$55,320,000	\$13,800,000	\$69,120,000

FY 24-25 Asset Management Capital Program and Budget

The AMCP consists of the following three programs:

- Equipment Replacement
- Major Rehabilitation
- Major Capital Outlay

The FY 24-25 budget of each program is described below.

Equipment Replacement Program - Budget

The FY 24-25 Capital Programs budget includes \$1,415,000 in Equipment Replacement purchases that are identified on the table below.

Equipment Replacement	
Project Description	FY 24-25 Proposed Budget
Gravity Belt Thickener (x2)	\$400,000
Bar Screen (x2), Pretreatment	300,000
Actuator, Gate (x11), Pretreatment	110,000
Grit Channel Drive Chain (x1), Pretreatment	100,000
Polymer Feeder, Dewatering Facility, BMF	90,000
Hypochlorite Tank #3 Rebuild, Final	80,000
Hypochlorite (SHC) Metering Pump, Final (x4)	80,000
Bisulfite (SBS) Metering Pump, Final (x3)	60,000
Gate, Slide (x6), Pretreatment	60,000
Gearbox, Helical Gear Reducer (x4), Pretreatment	60,000
Drive, Variable Frequency (x2), Digester	30,000
Truck, Micro, Facilities	25,000
Air Compressor, Pretreatment	20,000
Total	\$1,415,000

Gravity Belt Thickener (x2) – Scheduled major rebuild of both GBT units, including all wear parts.

Bar Screen (x2), Pretreatment – Major rebuild of main components due to increased corrective maintenance.

Actuator, Gate (x11), Pretreatment – Need to replace due to obsolete replacement parts.

Grit Channel Drive Chain (x1), Pretreatment – Scheduled major rebuild, and will be using plastic components to increase longevity in a corrosive environment.

Polymer Feeder, Dewatering Facility, BMF – Rebuild key components rather than a complete replacement.

Hypochlorite Tank #3 Rebuild – Rebuild the failed bottom and inner lining of the storage tank.

Hypochlorite (SHC) Metering Pump, Final (x4) – Connections between mechanical and electrical components need replacement to ensure permit compliance.

Bisulfite (SBS) Metering Pump, Final (x3) – Connections between mechanical and electrical components need replacement to ensure permit compliance.

Gate, Slide (x6), Pretreatment – Original 1980s gates are corroded, failing, not sealing properly, and need to be replaced.

Gearbox, Helical Gear Reducer (x4), Pretreatment – Original 1980s gearboxes for the slide gates are beyond repair and need to be replaced.

Drive, Variable Frequency (x2), Digester – These are older series models used for digested sludge pumps and parts are difficult to acquire.

Truck, Micro, Facilities – This truck has become unsafe and parts are no longer available for repairs.

Air Compressor, Pretreatment – As the backup source of compressed air to the west side of the plant, this compressor is not reliable and greater capacity is needed.

Major Rehabilitation Program - Budget

The FY 24-25 Capital Programs budget includes \$1,820,000 for Major Rehabilitation projects that are identified on the table below.

Major Rehabilitation	
Project Description	FY 24-25 Proposed Budget
Asphalt Rehabilitation, Plant and BMF	\$1,300,000
Dewatering Facility, Roof Replacement, BMF	175,000
Hypochlorite Delivery System Rebuild, Phase 2	110,000
Groundwater Monitoring Wells, Biocycle Farm and BRS	100,000
Roof Replacement, Control Building, BRS	75,000
Interior Remodeling, MWMC Project Trailer, Plant	30,000
Operations/Maintenance Building Improvements	30,000
Total	\$1,820,000

Asphalt Rehabilitation, Plant and BMF – Implementation of the condition assessment recommendations to repair the Air-Drying Beds (ADB) at the Biosolids Management Facility (BMF), as well as roadways and parking lots at the main plant, BMF, and regional pump stations.

Dewatering Facility, Roof Replacement – Condition assessment by staff and contractor have determined the need to reapply liquid waterproofing product.

Hypochlorite Delivery System Rebuild – Existing hypochlorite piping is damaged, creating operational and safety concerns. This will simplify piping manifolds, upsize piping to match pump manufacturer recommendations, and repair drain piping.

Groundwater Monitoring Wells – Evaluation and maintenance of the groundwater monitoring well networks at the Biocycle Farm and BRS to support groundwater protection programs.

Roof Replacement, Control Building, BRS – Condition assessment by staff and contractor is recommending installation of a new roofing assembly over the existing roof.

Interior Remodeling, MWMC Project Trailer – The office spaces and amenities in the project trailer need to be upgraded or replaced.

Operations/Maintenance Building Improvements – Allocation for small-scale facility improvements.

Major Capital Outlay

The FY 24-25 Capital Program budget includes \$900,000 for the Major Capital items listed below.

Major Capital	
Project Description	FY 24-25 Proposed Budget
Waste Gas Burner, RNG Facility	\$ 550,000
Comprehensive Security Upgrade, Design Engineering	350,000
Total	\$ 900,000

Waste Gas Burner, RNG Facility – Originally eliminated during value engineering, a flare dedicated to burning waste gas from the Renewable Natural Gas process will increase uptime of the facility.

Comprehensive Security Upgrade, Design Engineering – This project will focus on conducting a comprehensive security assessment of the main plant, Biosolids Management Facility, Poplar Farm, Beneficial Reuse Site, and regional pump stations, and the design for recommended improvements.

Asset Management Capital Budget Summary

The following table summarizes the FY 24-25 Asset Management Capital Program Budget by project type showing a total AMCP budget of \$4,135,000.

Asset Management Capital Project Budget	
Project Description	FY 24-25 Proposed Budget
Equipment Replacement	\$1,415,000
Major Rehabilitation	1,820,000
Major Capital	900,000
Total	\$4,135,000

FY 25-26 Asset Management Capital Program Status and Budget

The AMCP consists of the following programs:

- Equipment Replacement
- Major Rehabilitation
- Major Capital Outlay

The FY 25-26 budget and status of each program is described below.

Equipment Replacement Program – Budget Forecast

The FY 25-26 Capital Programs budget includes \$2,375,000 in Equipment Replacement purchases that are identified in the table below.

Equipment Replacement	
Project Description	FY 25-26 Planned Budget
Screw Pumps, Pretreatment (x4)	\$1,000,000
Motor Control Centers, Screw Pumps, Pretreatment (x4)	500,000
Tractor Loader, Integrated Tool Carrier, BMF	400,000
Hypochlorite Tank #1 Rebuild, Final	85,000
ICP System, High Metals, ESB Laboratory	75,000
Pickup Truck, 3/4 Ton, Longbox, Maintenance	70,000
Pickup Truck, 4WD, Facilities	65,000
Pickup Truck, Crew Cab, BMF	60,000
Passenger Vehicle, SUV, Maintenance	60,000
TOC Analyzer, Nutrients, ESB Laboratory	40,000
Acid Distillation System, ESB Labs	20,000
Total	\$2,375,000

Screw Pumps, Pretreatment – Following a condition assessment scheduled for 2024, this could entail rebuilding the screw flights and regrouting the screw trough.

Motor Control Centers, Pretreatment – The motor control centers that operate the screw pumps have degraded due to exposure to hydrogen sulfide gas. There may be a project to relocate them to a less corrosive environment.

Tractor Loader, Integrated Tool Carrier, BMF – The ITC is beyond repair and needs replacing.

Hypochlorite Tank Rebuild, Final – Replace the failing false bottom and inner lining of the tank.

ICP System, High Metals, Lab – The current system has reached end of service life. This system is used to perform regulatory, permit required water quality analysis.

Pickup Truck, ¾ Ton, Longbox, Maintenance – All vehicle replacements are following the recommendations from City of Eugene Fleet staff based on the cost of ownership which includes aspects like frequency and cost of repairs, availability of parts, age, mileage, and fuel economy.

Pickup Truck, 4WD, Facilities – See above.

Pickup Truck, Crew Cab, BMF – See above.

Passenger Vehicle, SUV, Maintenance – See above.

TOC Analyzer, Nutrients, Lab – The current system has reached end of service life. This system is used to perform permit required water quality analysis.

Acid Distillation System, Lab – This system is used to reduce contamination in trace metals analysis and new equipment will reduce the cost of purchasing commercially prepared acids to meet the permit-required detection limits.

Major Rehabilitation Program - Budget

The FY 25-26 Capital Programs budget includes \$1,120,000 for Major Rehabilitation projects that are identified in the table below.

Major Rehabilitation	
Project Description	FY 25-26 Planned Budget
Spot Repairs and Recoating, Clarifier Rake Arms, Secondary (x4)	\$600,000
Coating, Raw Sewage Pumps, Pretreatment (x4)	240,000
Coating, Grit Channels, Pretreatment (x2)	150,000
Coating, Interior Dome #1, Digesters	80,000
Operations/Maintenance Building Improvements	50,000
Total	\$1,120,000

Spot Repairs and Recoating, Secondary Rake Arms (x4) – Periodic spot repairs to the coatings are necessary to continue to protect the steel structure.

Coating, Raw Sewage Pumps – Following a condition assessment scheduled for 2024, this would reapply a protective industrial coating to the steel screws.

Coating, Grit Channels – Remove and reapply an industrial coating to protect the structural concrete from corrosive hydrogen sulfide gas.

Coating, Digester #1 Interior Dome – Following a condition assessment scheduled for 2024, the interior coating of the digester may need to be replaced. This budget request is to supplement the reappropriated (unspent) allocation from FY23 due to cost increases.

Operations/Maintenance Building Improvements – Allocation for small-scale facility improvements.

Major Capital - Budget

The FY 25-26 Capital Program budget includes \$1,000,000 for the Major Capital items listed below.

Major Capital	
Project Description	FY 25-26 Planned Budget
Comprehensive Security Upgrade, Regional Facilities	\$ 1,000,000
Total	\$ 1,000,000

Comprehensive Security Upgrade – Based on previous security assessment work, funding will be needed for the construction of selected security improvements to the main plant, Biosolids Management Facility, Poplar Farm, Beneficial Reuse Site, and regional pump stations.

Summary of FY 25-26 Asset Management Capital Program Budget

Asset Management Capital Project Budget	
Project Description	FY 25-26 Planned Budget
Equipment Replacement	\$2,375,000
Major Rehabilitation	1,120,000
Major Capital Outlay	1,000,000
Total	\$4,495,000

5-Year Capital Plan (Exhibit 13)

For each fiscal planning cycle, only the first year of budget authority is appropriated. The remaining four years of the CIP and AMCP Capital Plans are important and useful for fiscal and work planning purposes. However, it is important to note that the funds in the outer years of the Capital Plan are only planned and not appropriated. Also, the full amount of obligated multi-year project costs is often appropriated in the first year of the project, unless a smaller subset of the project, such as project design, can be identified and funded without budgeting the full estimated project cost. For these multi-year contracts, unspent funds from the first fiscal year will typically be carried over to the next fiscal year until the project is completed. Accordingly, the RWP Capital Plan presented herein is a subsequent extension of the plan presented in the adopted FY 23-24 Budget that has been carried forward by one year to FY 24-25. Changes to the 5-Year Plan typically occur from year to year as more information becomes available and evaluated.

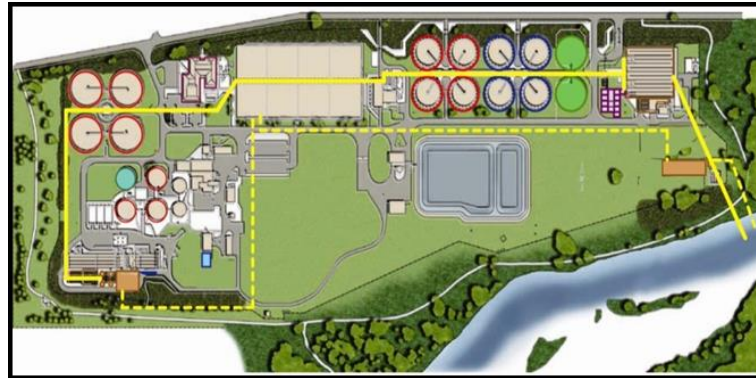
Exhibit 13 displays the MWMC 5-Year Capital Plan programs budget, which includes \$138,630,000 in planned capital projects and \$15,623,000 planned asset management capital projects for an overall 5-Year Capital Plan Budget of \$154,253,000.

EXHIBIT 13**Regional Wastewater 5-Year Capital Programs**

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	TOTAL
CAPITAL PROJECTS						
Non-Process Facilities and Facilities Planning						
Comprehensive Facilities Plan Update	1,450,000					1,450,000
Facility Plan Engineering Services	500,000	160,000	160,000	160,000	160,000	1,140,000
Partial Facility Plan Update				650,000		650,000
Conveyance Systems						
Glenwood Pump Station Upgrade	1,700,000					1,700,000
Plant Performance Improvements						
Administration Building Improvements	22,200,000					22,200,000
Electrical Switchgear & Transformer Replacement	16,600,000					16,600,000
Water Quality Trading Program	11,470,000					11,470,000
Class A Disinfection Facilities	8,100,000					8,100,000
Aeration System Upgrades (2023 to 2026)	3,200,000	24,400,000				27,600,000
Waste Activated Sludge Thickening	1,500,000	5,000,000				6,500,000
Repair Clarifiers & Final Treatment	1,500,000	3,500,000	5,000,000			10,000,000
WPCF Stormwater Infrastructure	520,000					520,000
Resiliency Follow-Up	300,000	800,000	800,000	2,000,000	3,000,000	6,900,000
Recycled Water Demonstration Projects	80,000	220,000				300,000
Owosso Bridge Seismic Upgrades		1,000,000	5,500,000			6,500,000
Tertiary Filtration - Phase 2				7,000,000	10,000,000	17,000,000
TOTAL CAPITAL PROJECTS	\$69,120,000	\$35,080,000	\$11,460,000	\$9,810,000	\$13,160,000	\$138,630,000
ASSET MANAGEMENT						
Equipment Replacement	1,415,000	2,375,000	1,037,000	1,499,000	2,547,000	8,873,000
Major Rehabilitation	1,820,000	1,120,000	990,000	505,000	415,000	4,850,000
Major Capital Outlay	900,000	1,000,000	-	-	-	1,900,000
TOTAL ASSET MANAGEMENT	\$4,135,000	\$4,495,000	\$2,027,000	\$2,004,000	\$2,962,000	\$15,623,000
TOTAL CAPITAL IMPROVEMENTS	\$73,255,000	\$39,575,000	\$13,487,000	\$11,814,000	\$16,122,000	\$154,253,000

CAPITAL PROJECT DETAIL

COMPREHENSIVE FACILITIES PLAN UPDATE (P80101)



Description: This will be the first MWMC Comprehensive Facilities Plan Update since the 2004 Facilities Plan. The Comprehensive Facilities Plan comprises three distinct volumes: MWMC Integrated Plan, Process Facilities Plan, and MWMC Opportunities Plan. Together, these volumes address the current environment and drivers for the MWMC, the regulatory and operational considerations for wastewater services, and the cross-community opportunities to advance the MWMC’s work. The update includes WPCF stormwater planning, capital/facilities planning, system development charge evaluation, technical services, and cost estimating for a 20-year planning horizon. The update will draw on the most recent plant data, permit compliance requirements, and available technology able to ensure the MWMC continues to meet future regulations, environmental standards, and community growth. The MWMC’s November 1, 2022 NPDES permit was the next permit update since May 1, 2002.

Status: As of December 2023, consultant task order work began in December 2022 for P80101 Facilities Planning and some evaluation of MWMC existing infrastructure occurred in 2023. The WPCF stormwater master plan information is dated December 2021.

Justification: Evaluate and plan for future MWMC conveyance and treatment upgrades and solutions to meet regulatory requirements, preserve public health, support community growth, protect the Willamette River, and provide financial responsible wastewater services.

Project Driver: Provide MWMC comprehensive facilities planning to develop the capital program and recommendations for the upcoming 20-years. Provide information for the MWMC 2019 Financial Plan policies related to Capital Planning and Financing. A current Facilities Plan is required for certain project financial approvals.

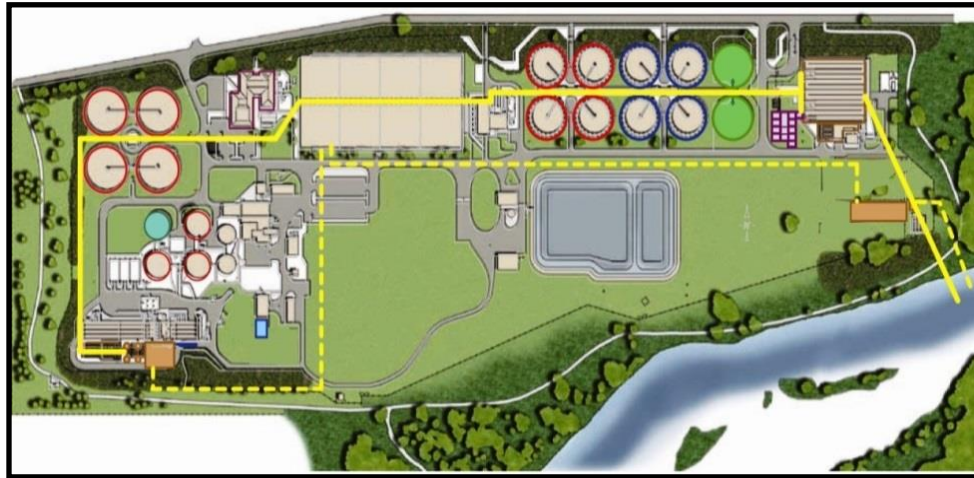
Project Trigger: The 2021 stormwater planning portion for the WPCF was triggered to address local building permit requirements for MWMC upcoming construction projects. The remaining project scope is focusing on MWMC planning for the next 20 years and beyond.

Estimated Project Cost: \$3,550,000

Estimated Cash Flow: FY 18-19 = \$35,701; FY 19-20 = \$15,174; FY 20-21 = \$70,567; FY 21-22 = \$2,136; FY 22-23 = \$211,217; FY 23-24 = \$1,765,205; FY 24-25 = \$1,450,000

Expenditure/Category:	Prior		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$334,795	\$1,765,205	\$1,450,000	\$0	\$0	\$0	\$0	\$3,550,000
Total Cost	\$334,795	\$1,765,205	\$1,450,000	\$0	\$0	\$0	\$0	\$3,550,000

FACILITY PLAN ENGINEERING SERVICES (P80110)



Description: Engineering/technical/vendor services for analysis, project definition, cost estimating, design feedback, follow up approvals, and general consultation regarding the MWMC Facilities Plan follow up support. The related project P80090 for consultant services closed out in FY 21-22.

Status: Pursuant to the issuance of the 2022 NPDES permit, MWMC representatives began updating the Facilities Plan under P80101 and will need follow up support via P80110 Facility Plan Engineering Services. As required by the NPDES permit #102486 (page 12 and 38) and before September 15, 2025, the MWMC must provide an inspection report to the DEQ of the treatment plant outfall system. The P80110 funding will support the inspection and evaluation of the MWMC outfall system.

Justification: Consultant services to provide ongoing technical and engineering services as needed after the MWMC Comprehensive Facilities Plan Update (P80101).

Project Driver: Ongoing engineering/technical/vendor services via P80110.

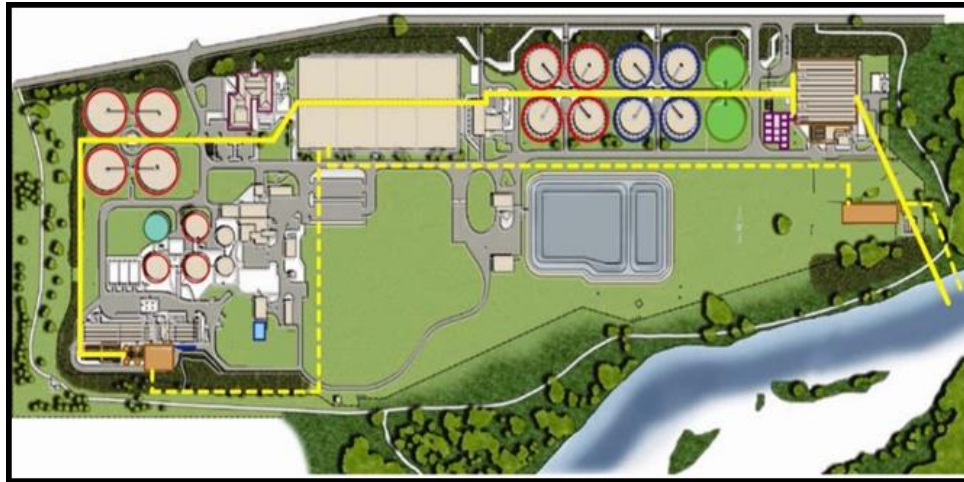
Project Trigger: Ongoing need.

Estimated Cost: \$1,140,000 (2024 to 2029)

Estimated Cash Flow: FY 24-25 = \$500,000; FY 25-26 = \$160,000; FY 26-27 = \$160,000; FY 27-28 = \$160,000; FY 28-29 = \$160,000

Expenditure/Category:	Prior	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$500,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,140,000
Total Cost	\$0	\$0	\$500,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,140,000

PARTIAL FACILITY PLAN UPDATE (P80103)



Description: This project provides a 5-year update to the Comprehensive Facilities Plan (P80101) that will help verify and re-evaluate the MWMC assumptions, projections, and project cost estimates. The Partial Facilities Plan Update (P80103) reviews the new and evolving regulatory drivers, identifies technology changes/opportunities, evaluates needed adjustments, and provides new recommendations. The next MWMC NPDES permit renewal date is September 30, 2027.

Status: Anticipate starting work in FY 27-28 or as needed.

Justification: The information and basis of the Comprehensive Facilities Plan requires regular updating to ensure knowledge, data, regulations, and performance issues behind Facilities Plan recommendations are current and recommended projects are adapted and adopted based on the newest available information.

Project Driver: Ongoing goal to keep MWMC planning up to date.

Project Trigger: Scheduled update. The next MWMC NPDES permit renewal date is September 30, 2027.

Estimated Project Cost: \$650,000 (continue to evaluate before 2027)

Estimated Cash Flow: FY 27-28 = \$320,000; FY 28-29 = \$330,000

<u>Expenditure/Category:</u>	<u>Prior</u> <u>Years</u>	<u>2023-24</u> <u>Est. Act.</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total</u>
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$650,000	\$0	\$650,000
Total Cost	\$0	\$0	\$0	\$0	\$0	\$650,000	\$0	\$650,000

GLENWOOD PUMP STATION UPGRADE (P80064)



Description: Expand Glenwood pump station capacity to accommodate growth and meet Oregon Department of Environmental Quality (DEQ) wastewater pump station design requirements. The pump station was designed with stalls for additional pumps. Two pumps were installed in 1995 with space for two additional pumps to be added when wastewater flow to the pump station increases with development of the Glenwood and Laurel Hill basins. In 2019, the P80096 Resiliency Planning study recommended onsite geotechnical evaluation and additional improvements.

Status: As of December 2023, the Commission approved moving forward with consultant services for design phase work in 2024. One existing pump can provide peak output around 3,500 GPM (5.04 MGD). The Eugene/Springfield subbasin future peak output needed is estimated to be around 7.5 MGD for Glenwood pump station with the largest pump out of service.

Justification: Additional pumping capacity will be required at this MWMC pump station to handle increasing flows in the Glenwood area (Springfield) and the Laurel Hill area (Eugene).

Project Driver: Oregon DEQ wastewater pump station redundancy requirements and 2019 Resiliency study recommendations.

Project Trigger: Information from 2023 onsite testing of existing pump/pipe system identified the need to upgrade the Glenwood pump station.

Estimated Project Cost: \$2,050,000 (continue to evaluate project cost estimates in 2024 and 2025)

Estimated Cash Flow: FY 20-21 = \$1,426; FY 21-22 = \$43,259; FY 22-23 = \$106,469; FY 23-24 = \$198,846; FY 24-25 = \$1,700,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$151,154	\$198,846	\$1,700,000	\$0	\$0	\$0	\$0	\$2,050,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$151,154	\$198,846	\$1,700,000	\$0	\$0	\$0	\$0	\$2,050,000

ADMINISTRATION BUILDING IMPROVEMENTS (P80104)



Description: This project will address the Administration/Operations Building workspace needs at the Water Pollution Control Facility (WPCF). It is a follow up to the 2018-2019 construction of the P80085 new laboratory building and expansion of the existing maintenance building. In 2019, the P80096 Resiliency Planning study recommended: a) constructing a new building for immediate occupancy/use after a major natural disaster, or b) upgrade the existing building for immediate occupancy post-earthquake (magnitude 9.0 event). Alternatives were studied to meet workspace needs and a decision to construct a new building in the existing building’s footprint was selected by the MWMC. A new Administration/Operations Building is in the final stages of design with temporary operations space planned in the existing Maintenance Building for operations during construction.

Status: As of December 2023, the project team and design consultant are at 90% design development, have submitted for permitting, and anticipate construction bidding in the first half of 2024. The MWMC was updated on December 8, 2023, and provided with construction cost estimates.

Justification: The original design and construction of the WPCF Administration/Operations Building was completed February 1982 under older building codes. Since that time, use of the building and associated construction codes has changed substantially necessitating the need to re-evaluate the MWMC building options to address level of service goals after a natural disaster (earthquake or flooding).

Project Driver: The need to update the existing Administration/Operations building is driven by the necessity to provide a safe and efficient work environment for the WPCF staff. Many of the planned changes stem from a changing wastewater/environmental business because of changing regulations since the WPCF was originally constructed in 1982. Also, address the P80096 recommended level of service goals to operate after a Cascadia Zone earthquake.

Project Trigger: Expansion and changes needed for functionality, safety, and natural disaster resiliency.

Estimated Project Cost: \$28,000,000 (continue to evaluate project cost estimates prior to bidding)

Estimated Cash Flow: FY 20-21 = \$17,937; FY 21-22 = \$209,786; FY 22-23 = \$1,317,424.
 FY 23-24 = \$4,254,853; FY 24-25 = \$19,000,000; FY 25-26 = \$3,200,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$1,545,147	\$4,254,853	\$22,200,000	\$0	\$0	\$0	\$0	\$28,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$1,545,147	\$4,254,853	\$22,200,000	\$0	\$0	\$0	\$0	\$28,000,000

ELECTRICAL SWITCHGEAR & TRANSFORMER REPLACEMENT (P80115)



Description: The main electrical switchgear at the Water Pollution Control Facility (WPCF) and Willakenzie Pump Station (WPS) were installed in 1983 during construction of the regional facilities. The purpose of the equipment is to take utility power and provide it to various process areas with the use of switches. Within the switchgear are medium voltage breakers to safely isolate the facility from the electricity provider (EWEB), as well as protect the utility from electrical faults at the site. This project will replace and upgrade the existing switchgears and medium voltage transformers.

Status: As of December 2023, consultant is developing the 60% design and estimating project costs. On November 17, 2023, the MWMC approved continuing design consultant services to create a P80115 construction bid package. Bidding of the work is anticipated in late 2024.

Justification: The main electrical switchgear for the WPCF and the WPS have reached the end of their service life and need to be replaced. Eighteen (18) medium voltage (MV) transformers throughout both sites are in similar condition. Major delays in equipment delivery times have placed a sense of urgency on procuring this equipment. Streamlining project delivery, design and construction, the impact of outages to plant operations can be minimized if all equipment is replaced together through one project.

Project Driver: Main switchgear and MV transformers are of paramount importance to plant operations. Replacing switchgear is a major undertaking that involves large temporary power sources, specialized contractors, long equipment lead times, manufacturer field testing, and significant coordination to reduce disruption to plant operation.

Project Trigger: The September 2022 condition assessment, coupled with recent arcing events, has concluded the switchgear at the WPCF and WPS have reached the end of their useful life and need to be replaced, and it is anticipated that the MV transformers are not far behind.

Estimated Project Cost: \$20 million (additional cost estimating anticipated in 2024)

Estimated Cash Flow: FY 22-23 = \$117,538; FY 23-24 = \$3,282,462; FY 24-25 = \$8,500,000; FY 25-26 = \$4,100,000; FY 26-27 = \$4,000,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$117,538	\$3,282,462	\$16,600,000	\$0	\$0	\$0	\$0	\$20,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$117,538	\$3,282,462	\$16,600,000	\$0	\$0	\$0	\$0	\$20,000,000

WATER QUALITY TRADING PROGRAM (P80112)



Description: The MWMC Water Quality Trading Program secures regulatory credits for meeting thermal load reduction through watershed restoration. The program fulfills the objectives of the MWMC Water Quality Trading Plan under the MWMC NPDES permit as approved November 2022, which defines the MWMC eligible trading area in the upper Willamette basin. The program is implemented principally through the MWMC’s membership in the Pure Water Partners collaborative via the MWMC’s contractor-provided Credit Program Manager services and MWMC’s IGA with EWEB. Water quality trading credits comprise the MWMC’s primary strategy for thermal load limit compliance and may provide ancillary future water quality and/or carbon benefits.

Status: The MWMC with consultant help has developed a Water Quality Trading Plan for NPDES permit compliance and has fully evaluated the credit capacity, effectiveness, and scale of eligible lands in the upper Willamette basin. As of March 2019, the MWMC procured The Freshwater Trust (www.thefreshwatertrust.org) as the MWMC Credit Program Manager. As of November 2022, the MWMC has an active agreement with The Freshwater Trust to implement the permit-compliance water quality trading program scope of work to meet the 5-year credit timeline of the NPDES permit Compliance Schedule. As of December 2023, the MWMC has recorded 48.64 Mkal/day of credits out of a 5-year target of 200 Mkal/day.

Justification: The Water Quality Trading Program will help provide cost-effective strategies for most of the thermal load compliance dates as required under the MWMC NPDES permit renewed in November 2022.

Project Driver: Implementation of updated thermal load limits in the MWMC’s 2022 NPDES permit.

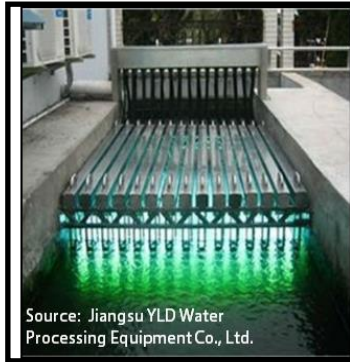
Project Trigger: The NPDES permit renewal includes a 15-year Compliance Schedule with a 5-year milestone of 200 Mkal/day of credits due by October 2027.

Estimated Project Cost: \$13 million (timing estimate from 2022 to 2033)

Estimated Cash Flow: FY 22-23 = \$760,026; FY 23-24 = \$769,974; FY 24-25 = \$1,200,000; FY 25-26 = \$3,000,000; FY 26-27 = \$3,000,000; FY 27-28 = \$1,150,000; FY 28-29 = \$10,000; FY 29-30 = \$10,000; FY 30-31 = \$1,000,000; FY 31-32 = \$1,000,000; FY 32-33 = \$1,100,000.

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$760,026	\$769,974	\$11,470,000	\$0	\$0	\$0	\$0	\$13,000,000
Total Cost	\$760,026	\$769,974	\$11,470,000	\$0	\$0	\$0	\$0	\$13,000,000

CLASS A DISINFECTION FACILITIES (P80098)



Description: Provides disinfection, storage, and distribution facilities needed to bring tertiary filtered effluent to Class A standards on a consistent and reliable basis for initial demonstration of recycled water uses on- and off-site of the MWMC treatment site. The P80098 project includes the design, bidding, construction, and permitting of Class A recycled water disinfection facilities.

Status: As of January 2024, the project team is evaluating the MWMC existing filtration system and has active grant applications for potential funding in Fall of 2024. The P80098 design package is at 100% completion to submit for construction permits and construction bidding phase.

Justification: Class A recycled water is necessary to expand recycled water to landscaping, street tree, and industrial uses. Demonstration of Class A quality and reliability is necessary for stakeholder acceptance and future adoption of expanded recycled water uses.

Project Driver: The Thermal Load Mitigation Alternatives Evaluation, Recycled Water Program Implementation Planning, Phase 2 Study (dated August 2014) recommended demonstration scale use of Class A recycled water to address stakeholder acceptability issues identified as barriers to full-scale recycled water uses. The May 2023 MWMC Thermal Load Mitigation Study submitted to DEQ for NPDES permit compliance requirements identifies the 1.3 million gallon per day (MGD) Class A recycled water facilities as an asset strategy towards meeting final effluent thermal load limits.

Project Trigger: Pilot recycled water demonstration sites with willing, ready-to-proceed partners have been identified, including City of Eugene (street tree watering) and industrial aggregate sites for equipment washing.

Estimated Project Cost: \$9.5 million (recycled water Class A infrastructure and upgrade one structure for 9.0 magnitude earthquake preparedness related to MWMC P80096 level of service goals)

Estimated Cash Flow: FY 18-19 = \$836; FY 19-20 = \$15,934; FY 20-21 = \$339,068; FY 21-22 = \$761,685; FY 22-23 = \$56,904; FY 23-24 = \$225,573; FY 24-25 = \$7,400,000; FY 25-26 = \$700,000

Expenditure/Category:	Prior	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est.	Act.						
Design/Construction	\$1,174,427	\$225,573	\$8,100,000	\$0	\$0	\$0	\$0	\$0	\$9,500,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$1,174,427	\$225,573	\$8,100,000	\$0	\$0	\$0	\$0	\$0	\$9,500,000

RECYCLED WATER DEMONSTRATION PROJECTS (P80099)



Description: This project provides for stakeholder engagement, community communication/outreach, and any additional design, construction, permitting, and implementation of recycled water point-of-use needs beyond the MWMC’s point-of-delivery of Class A recycled water product.

Status: As of 2023: Pilot Class A recycled water demonstration sites with ready-to-proceed partners have been identified, including City of Eugene street-tree watering and industrial aggregate site uses. Letters of intent from these partners were secured in 2020. Regulatory readiness was addressed with DEQ during the NPDES 2022 permit renewal in anticipation of project launch during the 2022-2027 permit cycle. A consultant-led outreach strategy was developed, including engaging a recycled water use advisory network in tandem with the Class A Disinfection Facilities (P80098) construction phase.

Justification: Recycled water use may be an important strategy for diverting effluent from the Willamette River to meet NPDES permit discharge limits for temperature and other water quality benefits. Development of Class A recycled water is an identified water resource strategy in EWEB’s *Water Management and Conservation Plan* (July 2018) and the *Eugene/Springfield Area Multi-Jurisdictional Natural Hazards Mitigation Plan* (January 2020). The MWMC project is a case example for DEQ’s advancement of Oregon recycled water regulatory approvals.

Project Driver: The Thermal Load Mitigation Alternatives Evaluation-Recycled Water Program Implementation Planning, Phase 2 Study (dated August 2014) identified demonstration scale use of Class A recycled water was needed to address stakeholder acceptability issues identified as barriers to full-scale recycled water uses. The project is identified as a permit compliance strategy with DEQ.

Project Trigger: The MWMC 2022 NPDES permit included new temperature limits and imposes a 15-year compliance schedule to fully meet new effluent limits. The permit requires identification of a long-term strategy to meet the compliance schedule.

Estimated Project Cost: \$410,000 (continue to monitor P80099 costing)

Estimated Cash Flow: FY 19-20 = \$27,899; FY 20-21 = \$16,859; FY 21-22 = \$11,121; FY 22-23 = \$19,501; FY 23-24 = \$34,620; FY 24-25 = \$75,000; FY 25-26 = \$85,000; FY 26-27 = \$140,000

Expenditure/Category:	Prior	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est.	Act.						
Design/Construction	\$75,380	\$34,620		\$80,000	\$220,000	\$0	\$0	\$0	\$410,000
Other	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$75,380	\$34,620		\$80,000	\$220,000	\$0	\$0	\$0	\$410,000

AERATION SYSTEM UPGRADES [2023-2026] (P80113)



Description: In 2020 and 2021, Brown and Caldwell evaluated the existing aeration systems and provided recommendations in January 2022 via project P80100. The P80113 project will implement the design and construction of additional upgrades/changes to the existing aeration systems by year 2027. Upgrades to the westerly existing aeration basins are anticipated after year 2031.

Status: As of January 2024, the consultant submitted the 60% design package for P80113 project team review. Construction cost estimates are anticipated in early 2024.

Justification: Update aging (1984) equipment/systems such as piping, electrical, communication technology, blowers, HVAC, and other components related to the aeration system which is part of the secondary treatment process.

Project Driver: Ongoing efforts to keep MWMC existing systems reliable and achieve required performance outcomes to address the National Pollution Discharge Elimination System (NPDES) permit #102486.

Project Trigger: Need to address aging aeration systems for reliability and performance upgrades.

Estimated Project Cost: \$30,000,000 (continue to evaluate cost estimates during the P80113 design development)

Estimated Cash Flow: FY 22-23 = \$804,235; FY 23-24 = \$1,595,765; FY 24-25 = \$3,200,000; FY 25-26 = \$4,100,000; FY 26-27 = \$9,000,000; FY 27-28 = \$9,000,000; FY 28-29 = \$2,300,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$804,235	\$1,595,765	\$3,200,000	\$24,400,000	\$0	\$0	\$0	\$30,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$804,235	\$1,595,765	\$3,200,000	\$24,400,000	\$0	\$0	\$0	\$30,000,000

WASTE ACTIVATED SLUDGE THICKENING (P80078)



- Description:** Third Gravity Belt Thickener (GBT) with associated at-grade building. Assumes additional basement floor space is not required. Treatment plant staff would like to reconsider the P80078 solution/technology moving forward.
- Status:** Continue to monitor the timing of this project and P80101 facility planning findings in 2024/2025.
- Justification:** Provide additional capacity for Waste Activated Sludge (WAS) thickening process.
- Project Driver:** Additional capacity to provide WAS thickening with one unit offline at upper limit flow projections.
- Project Trigger:** Exceeding solids and hydraulic loading rate design criteria.
- Estimated Project Cost:** \$6,500,000 (evaluate cost estimates during P80078 design development phase)
- Estimated Cash Flow:** FY 24-25 = \$1,300,000; FY 25-26 = \$3,000,000; FY 26-27 = \$2,200,000

Expenditure/Category:	Prior	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est.	Act.						
Design/Construction	\$0	\$0	\$1,500,000	\$5,000,000	\$0	\$0	\$0	\$0	\$6,500,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$1,500,000	\$5,000,000	\$0	\$0	\$0	\$0	\$6,500,000

REPAIR CLARIFIERS & FINAL TREATMENT (P80118)



Description: In 2023, condition assessment efforts found existing structures needing repair work related to primary clarifiers (1980) and final treatment (1983). This project will look for solutions to repair and/or replace existing concrete and other systems related to MWMC past construction contracts C2 (primary treatment) and C6 (final treatment).

Status: As of January 2024, staff is seeking P80118 budgeting to begin July 1, 2024 to start-up the project (scoping, consultant selection, pre-design/evaluation, design, etc.).

Justification: Need to continue fixing aging infrastructure based on existing conditions and risk.

Project Driver: Repair and/or replace existing infrastructure.

Project Trigger: Fix structural system issues before impacting the MWMC treatment plant process.

Estimated Project Cost: \$10,000,000 (evaluate cost estimates during design development)

Estimated Cash Flow: FY 24-25 = \$1,000,000; FY 25-26 = \$4,000,000; FY 26-27 = \$4,400,000; FY 27-28 = \$600,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$1,500,000	\$3,500,000	\$5,000,000	\$0	\$0	\$10,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$1,500,000	\$3,500,000	\$5,000,000	\$0	\$0	\$10,000,000

WPCF STORMWATER INFRASTRUCTURE (P80111)



Description: Retrofit and/or change existing stormwater infrastructure at the Water Pollution Control Facility (WPCF). Also, update the WPCF Conditional Use Permit (CUP) related to stormwater infrastructure planning for upcoming construction.

Status: As of December 2023, Jacobs staff provided a Stormwater Master Plan (SWMP) dated December 16, 2021 with consultant recommendations including the need to update the WPCF existing CUP related to stormwater systems. Staff continues to monitor the MWMC upcoming construction projects and facilities planning work via project P80101.

Justification: WPCF existing stormwater and drainage systems need to be retrofitted and/or changed for upcoming construction permit approvals.

Project Driver: Maintain compliance with local and state stormwater requirements at the WPCF.

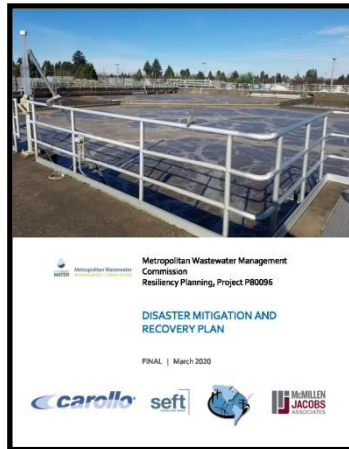
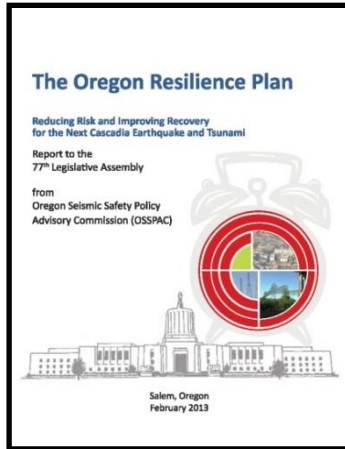
Project Trigger: Each infrastructure hard surface change at the WPCF can trigger stormwater quality and quantity onsite controls related to project permit requirements.

Estimated Project Cost: \$600,000 (update WPCF CUP for stormwater, retrofit existing three bioswales to rain gardens, and add new rain gardens)

Estimated Cash Flow: FY 23-24 = \$80,000; FY 24-25 = \$450,000; FY 25-26 = \$70,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$80,000	\$520,000	\$0	\$0	\$0	\$0	\$600,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$80,000	\$520,000	\$0	\$0	\$0	\$0	\$600,000

RESILIENCY FOLLOW-UP (P80109)



Description:

This project provides follow-up evaluation and some implementation of the P80096 Resiliency Study (Disaster Mitigation and Recovery Plan - dated March 2020). The 2019 study recommended seismic and flooding mitigation projects estimated at \$34.6 million to be coordinated with the MWMC ongoing infrastructure/facilities construction program. The main objective is to address “level of service” goals before a natural disaster such as a 9.0 magnitude earthquake or major flooding. Also, the MWMC should continue to communicate with the agencies that prepare for natural disasters that relate to the Eugene/Springfield community.

Status:

As of January 2024, consultants completed geotechnical assessments near the Owosso Bridge, Willakenzie pump station, WPCF Headworks structures, and Glenwood pump station. Received consultant cost estimates for seismic retrofits to the Owosso Bridge.

Justification:

The MWMC’s facilities and wastewater conveyance and treatment services are integral to protection of the community and public health following a major disaster such as the anticipated Cascadia Subduction Zone Earthquake and/or major flooding.

Project Driver:

Cost effectively ensure reasonable recovery of MWMC’s core facilities and services following major disaster impacts after earthquake or flooding.

Project Trigger:

Per Commission direction, consultant work began in July 2018. The MWMC plan with consultant recommendations is dated March 2020. Established consultant agreements in 2021 with four engineering consultants for on-call services through March 2026.

Estimated Project Cost: Mitigation recommendations estimate: \$34.6 million (2019 dollars)

Estimated Cash Flow: FY 20-21 = \$4,092; FY 21-22 = \$173,133; FY 22-23 = \$13,408; FY 23-24 = \$230,000; FY 24-25 = \$300,000; FY 25-26 = \$800,000; FY 26-27 = \$800,000; FY 27-28 = \$2,000,000; FY 28-29 = \$3,000,000; and continue the MWMC mitigation work estimated over \$34 million.

<u>Expenditure/Category:</u>	<u>Prior</u>	<u>2023-24</u>		<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total</u>
	<u>Years</u>	<u>Est.</u>	<u>Act.</u>						
Design/Construction	\$0	\$230,000	\$300,000	\$300,000	\$800,000	\$800,000	\$2,000,000	\$3,000,000	\$7,130,000
Other	\$190,633	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$190,633
Total Cost	\$190,633	\$230,000	\$300,000	\$300,000	\$800,000	\$800,000	\$2,000,000	\$3,000,000	\$7,321,000

OWOSSO BRIDGE SEISMIC UPGRADES (P80116)



Description: This project was identified in the Disaster Mitigation and Recovery Plan (March 2020). The MWMC owns the Owosso Bridge (constructed in 1982) and has infrastructure attached to the bridge.

Status: Under the MWMC project P80109 work related to the Owosso Bridge, the MWMC received a geotechnical seismic analysis consultant report dated June 23, 2022. In August 2022, an engineering consultant provided updated cost estimates for Owosso Bridge seismic retrofits.

Justification: The MWMC’s facilities and wastewater conveyance/treatment services are integral to protection of the community and public health following a major disaster such as the anticipated Cascadia Subduction Zone Earthquake.

Project Driver: Cost effectively ensure reasonable recovery of MWMC’s core facilities and services following major disaster impacts after earthquake and/or river flooding.

Project Trigger: Ongoing effort to address level of service recommendations/improvements from the Disaster Mitigation and Recovery Plan dated March 2020 (older Project P80096).

Estimated Project Cost: \$6,500,000 (evaluate cost estimating during design development)

Estimated Cash Flow: FY 25-26 = \$800,000; FY 26-27 = \$2,700,000; FY 27-28 = \$2,800,000; FY 28-29 = \$200,000

<u>Expenditure/Category:</u>	<u>Prior</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total</u>
	<u>Years</u>	<u>Est. Act.</u>						
Design/Construction	\$0	\$0	\$0	\$1,000,000	\$5,500,000	\$0	\$0	\$6,500,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$1,000,000	\$5,500,000	\$0	\$0	\$6,500,000

TERTIARY FILTRATION - PHASE 2 (P80102)



Description: The phased work program anticipates installing infrastructure/support facilities for 30 MGD of filters for tertiary filtration of secondary treated effluent. Phase 2 is planned to install filter system technology sufficient for another 10 MGD of treatment that will increase the total filtration capacity to 20 MGD. The Phase 3 project will install the remaining filtration technology to meet the capacity needs identified in the 2004 MWMC Facilities Plan and evaluate any new planning information.

In January 2016, the project scope and cost (estimate \$530K in 2015) increased to include updating electrical switchgear and installing tertiary filter flushing headers/pipe vents.

Status: Tertiary Filtration (Phase 2) project is anticipated to start P80102 design development in FY 27-28. Continue to evaluate timing based on upcoming P80101 planning information.

Justification: The 2004 MWMC Facilities Plan proposes filters on a phased work program. Filtration provides high quality secondary effluent to help meet permit requirements and potential Class A recycled water product for public and/or private partnerships.

Project Driver: Performance reliability to meet the dry weather NPDES Permit total suspended solids limits, reuse development, and compliance with effluent limits during peak flow conditions.

Project Trigger: NPDES permit compliance for total suspended solids (TSS): Dry weather maximum month flow in excess of 49 MGD. Also, provide higher quality effluent so that reuse options can be developed. Continue to evaluate the project timing based on the MWMC upcoming P80101 Facilities Planning information.

Estimated Project Cost: \$17,000,000 (re-evaluate during the P80101 Comprehensive Facilities Plan Update)

Estimated Cash Flow: FY 27-28 = \$5,500,000; FY 28-29 = \$5,600,000; FY 29-30 = \$5,600,000; FY 30-31 = \$300,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$7,000,000	\$10,000,000	\$17,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$7,000,000	\$10,000,000	\$17,000,000

Preliminary Regional Wastewater Program Budget and Capital Improvements Program



Metropolitan Wastewater
MANAGEMENT COMMISSION



partners in wastewater management

Fiscal Year 2024-2025

REGIONAL WASTEWATER PROGRAM BUDGET and CAPITAL IMPROVEMENTS PROGRAM Fiscal Year 2024-25


The Metropolitan Wastewater Management Commission is scheduled to adopt the Operating Budget and Capital Improvements Program (CIP) for FY 24-25 on April 12, 2024. The Budget and CIP is scheduled to be ratified by the Springfield City Council on May 6, 2024, the Eugene City Council on May 13, 2024, and the Lane County Board of Commissioners on May 14, 2024. The Commission will give final ratification of the Budget and CIP on June 14, 2024.

COMMISSION MEMBERS:

Jennifer Yeh, President (Eugene)
TBD, Vice President (TBD)
Joe Pishioneri, (Springfield)
Pat Farr, (Lane County)
Doug Keeler, (Springfield)
Peter Ruffier, (Eugene)
Christopher Hazen, (Eugene)
Bill Inge, (Lane County)

STAFF:

Matthew Stouder, MWMC Executive Officer/General Manager
Michelle Miranda, Wastewater Director
Nathan Bell, MWMC Finance Officer

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METROPOLITAN WASTEWATER MANAGEMENT COMMISSION
FY 2024-25 BUDGET AND CAPITAL IMPROVEMENTS PROGRAM
for the
REGIONAL WASTEWATER PROGRAM

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INTRODUCTION

INTRODUCTION

The MWMC was formed by the cities of Eugene, Springfield, and Lane County through an intergovernmental agreement (IGA) in 1977 to provide wastewater collection and treatment services for the Eugene-Springfield metropolitan area. The seven-member Commission, appointed by the City Councils of Eugene and Springfield and the Lane County Board of Commissioners, is responsible for oversight of the Regional Wastewater Program. Since 1983, the Commission has contracted with the cities of Springfield and Eugene to provide all staffing and services necessary to maintain and support the Regional Wastewater Program.

The MWMC has been providing high-quality wastewater services to the metropolitan area for 47 years. The service area for the MWMC consists of approximately 250,000 customers, including 82,000 residential and commercial accounts. The MWMC is committed to clean water, the community's health, the local environment, and to providing high quality services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs.

Mission: To protect our community's health and the environment by providing high-quality wastewater services to the Eugene-Springfield metropolitan area in partnership with Eugene, Springfield, and Lane County.

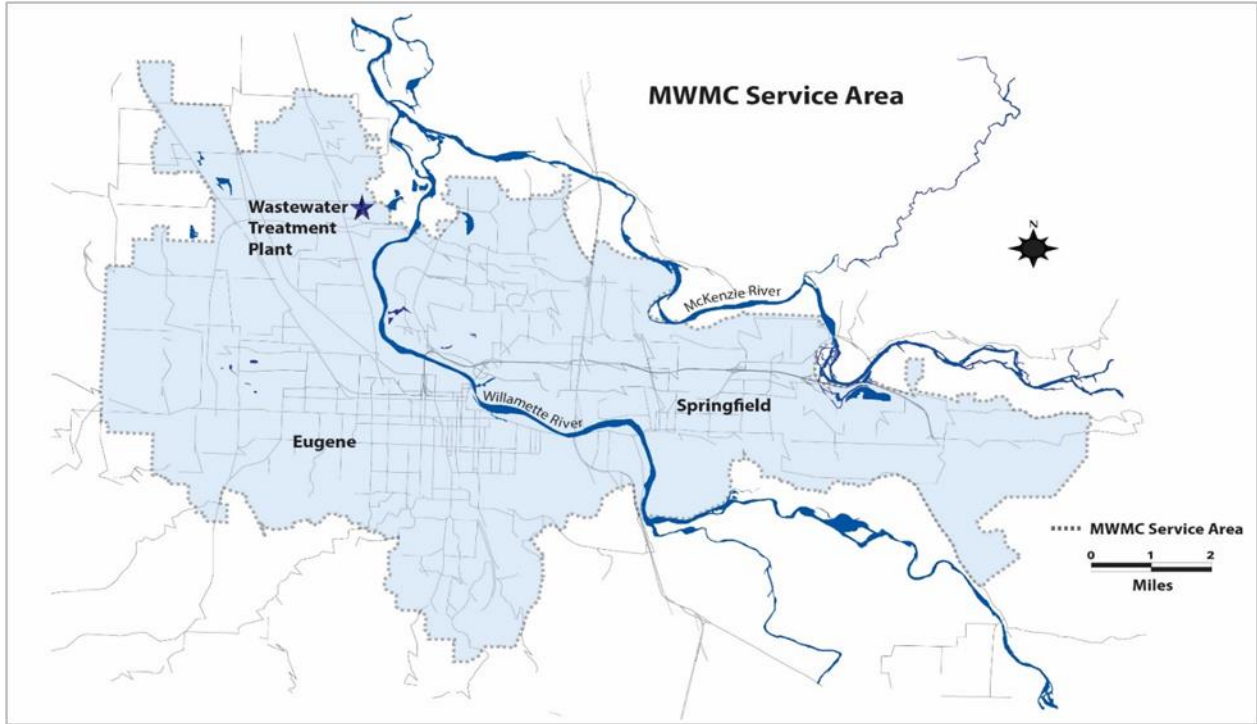
Vision: The MWMC will be recognized as a leader in protecting water quality through sustainable and fiscally responsible practices.

Values Statement: The MWMC strives to provide high-quality services that achieve, sustain, and promote balance between community, environmental and economic needs while meeting customer service expectations.

Values

Clean Water
Protecting Community Health
Providing Excellent Customer Service
Sustain Environmental Stewardship
Collaboration with Partners

Regulatory Permit Status - The MWMC's renewed NPDES permit was issued on November 1, 2022, and is effective through September 30, 2027. As we continue efforts to renew our Facilities Master Plan, we are preparing for more stringent requirements from the new permit. The MWMC continues to reduce debt obligations, while planning financially to be positioned for the NPDES permit requirements.



BUDGET MESSAGE

BUDGET MESSAGE

Members of the Metropolitan Wastewater Management Commission (MWMC), MWMC Customers and Partnering Agencies

It is my pleasure to present the Metropolitan Wastewater Management Commission's (MWMC) budget for fiscal year 2024-25. This budget funds operations, administration, and capital projects planned for the Regional Wastewater Program in the coming year. In compliance with Oregon Budget Law, this budget is balanced, with revenues and expenditures being equal.

Budget Development Process

The MWMC's budget development schedule begins in January, with a budget kick-off to review key outcomes the Commission strives to achieve, with associated performance indicators that measure results of annual workplans over time. In February, staff provides a presentation of the draft Capital Improvement Program (CIP) budget and five-year capital plan and discusses anticipated impacts. The operating budget programs are presented in March, along with user fee rate scenarios to provide an overall look at anticipated revenues and expenditures.

In April, the Commission holds public hearings on the Preliminary Regional Wastewater Program (RWP) Budget and CIP, and regional wastewater user rates. In May, the RWP budget is forwarded to the three governing bodies of Springfield, Eugene and Lane County for their review, input and ratification. The RWP Budget and CIP returns to the MWMC in June for final approval, with budget implementation occurring July 1.

As outlined in the MWMC's intergovernmental agreement, Administration and CIP components reflected in the City of Springfield's RWP budget, while operations, maintenance, equipment replacement, major rehabilitation, and major capital outlay components are reflected in the City of Eugene's RWP budget. Both cities' Industrial Pretreatment Programs are managed locally in compliance with the MWMC Model Ordinance and are also included in the RWP budget.

Fiscal Year 2024-25 Budget

The upcoming fiscal year will present opportunities and challenges for the regional wastewater program. The FY 2024-25 budget is balanced with resources equal to or greater than expenditures. The budget is based on a 4.6% increase over FY 2023-24 with the addition of 2.98 FTE to help address operational and administrative needs. Primary drivers associated with expenditures include rising inflationary and construction costs, regulatory requirements associated with meeting the MWMC's recently reissued National Pollution Discharge Elimination System (NPDES) Permit, and aging infrastructure needs associated with assets that are approaching 45 years old.

User fee revenues are projected at \$40.6 million, with additional revenue sources from septage haulers, renewable natural gas sales, property leases, Systems Development Charges, and other sources at \$3.6 million. Operating expenditures are projected at \$25.3 million, and the FY 2024-25 CIP includes approximately \$69.1 million dedicated to facilities planning efforts, conveyance system upgrades and plant performance improvements. Another \$4.1 million is proposed for equipment replacement, major rehabilitation, and major capital outlay.

Accomplishments

Every year, MWMC staff show incredible professionalism and commitment to our community. Significant accomplishments:

- The Clean Water University (CWU) program received two high-profile awards. The National Association of Clean Water Agencies (NACWA) recognized CWU with a *National Environmental Achievement Award* at their winter conference in Austin, TX. The program also received the Watermark Award from the Pacific Northwest Clean Water Association at their annual conference in Tacoma, WA.
- Todd Miller, Environmental Services Supervisor with the City of Springfield, was awarded with the Oregon Association of Clean Water Agencies' *2023 Outstanding Individual Award* for his work on temperature compliance strategies in NPDES permitting.
- The Regional Water Pollution Control Facility was awarded a 16th consecutive *Platinum Peak Performance Award* from NACWA for 100% compliance with the effluent limits of the MWMC's permit.
- Staff working at the Water Pollution Control Facility oversaw the successful treatment of over 12 billion gallons of wastewater, ensuring continued protection of our community's public health and safety, as well as that of the local environment and the Willamette River.

In summary, the FY 24-25 budget implements the Commission's adopted 2019 Financial Plan policies, funding operations and administration sufficiently to maintain service levels and to meet the environmental performance necessary for compliance with the National Pollutant Discharge Elimination System (NPDES) permit issued jointly to the MWMC and the two cities.

Development of the RWP budget is a significant effort and would not be possible without the dedicated commitment from staff working on behalf of the MWMC. I would like to thank Lou Allocco, Katherine Bishop, Troy McAllister, James McClendon, and Michelle Miranda.

Respectfully submitted,



Matt Stouder
MWMC Executive Officer & General Manager

PROGRAM OVERVIEW

ACRONYMS AND EXPLANATIONS

AMCP – Asset Management Capital Program. The AMCP implements the projects and activities necessary to maintain functionality, lifespan, and effectiveness of the MWMC facility assets on an ongoing basis. The AMCP is administered by the City of Eugene for the MWMC.

BMF – Biosolids Management Facility. The Biosolids Management Facility is an important part of processing wastewater where biosolids generated from the treatment of wastewater are turned into nutrient rich, beneficial organic materials.

CIP – Capital Improvements Program. This program implements projects outlined in the 2004 Facilities Plan and includes projects that improve performance or expand treatment or hydraulic capacity of existing facilities.

CMOM – Capacity Management and Maintenance Program. The CMOM program addresses wet weather issues such as inflow and infiltration with the goal to eliminate sanitary sewer overflows to the extent possible and safeguard the hydraulic capacity of the regional wastewater treatment facility.

CWSRF – Clean Water State Revolving Fund. The Clean Water State Revolving Fund loan program is a federal program administered by the Oregon DEQ that provides low-cost loans for the planning, design and construction of various water pollution control activities. (DEQ)

EMS – Environmental Management System. An EMS is a framework to determine the environmental impacts of an organization’s business practices and develop strategies to address those impacts.

ESD – Environmental Services Division. The ESD is a division of the City of Springfield’s Development and Public Works Department that promotes and protects the community’s health, safety, and welfare by providing professional leadership in the protection of the local environment, responsive customer service, and effective administration for the Regional Wastewater Program.

IGA – Intergovernmental Agreement. Pursuant to ORS 190.010, ORS 190.080, and ORS 190.085, the IGA is an agreement between the cities of Eugene and Springfield and Lane County that created the MWMC as an entity with the authority to provide resources and support as defined in the IGA for the Regional Wastewater Program.

MWMC – Metropolitan Wastewater Management Commission. The MWMC is the Commission responsible for the oversight of the Regional Wastewater Program. In this role, the MWMC protects the health and safety of our local environment by providing high-quality management of wastewater conveyance and treatment to the Eugene-Springfield community. The Commission is responsible for the oversight of the Regional Wastewater Program.

NPDES – National Pollutant Discharge Elimination System permit. The NPDES permit program is administered by the Oregon Department of Environmental Quality (DEQ) in fulfillment of federal Clean Water Act requirements. The NPDES permit includes planning and technology requirements as well as numeric limits on effluent water quality.

RNG – Renewal Natural Gas Upgrades consisting of biogas purification facilities at the treatment plant and connection to the Northwest Natural utility grid. Together, the system allows the MWMC to sell the upgraded gas (RNG) as a renewable fuel through offtake agreements.

RWP – Regional Wastewater Program. Under the oversight of the MWMC, the purpose of the RWP is to protect public health and safety and the environment by providing high quality wastewater management services to the Eugene-Springfield metropolitan area. The MWMC and the regional partners are committed to providing these services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs while meeting customer service expectations.

SDC – System Development Charge. SDCs are charges imposed on development so that government may recover the capital needed to provide sufficient capacity in infrastructure systems to accommodate the development.

SRF – Clean Water State Revolving Fund. The Clean Water State Revolving Fund loan program is a federal program administered by the Oregon DEQ that provides low-cost loans for the planning, design and construction of various water pollution control activities. (DEQ)

SSO – Sanitary Sewer Overflows. Discharges of raw sewage.

TMDL – Total Maximum Daily Load. The federal Clean Water Act defines *Total Maximum Daily Load* as the maximum amount of any pollutant that can be safely assimilated by a waterway in one day without significant degradation of water quality.

TSS – Total Suspended Solids. Organic and inorganic materials that are suspended in water.

WPCF – Regional Water Pollution Control Facility. The WPCF is a state-of-the-art facility providing treatment of the wastewater coming from the Eugene/Springfield metropolitan area. The WPCF is located on River Avenue in Eugene. The treatment plant and 49 pump stations distributed across Eugene and Springfield operate 24 hours a day, 7 days a week, 365 days a year to collect and treat wastewater from homes, businesses and industries before returning the cleaned water, or effluent, to the Willamette River. Through advanced technology and processes, the facility cleans, on average, up to 30 million gallons of wastewater every day.

WWFMP – Wet Weather Flow Management Plan. This plan evaluated and determined the most cost-effective combination of collection system and treatment facility upgrades needed to manage excessive wet weather wastewater flows in the Eugene/Springfield metropolitan area.

REGIONAL WASTEWATER PROGRAM OVERVIEW

The Metropolitan Wastewater Management Commission

The Metropolitan Wastewater Management Commission (MWMC) was formed by Eugene, Springfield, and Lane County through an intergovernmental agreement (IGA) in 1977 to provide wastewater collection and treatment services for the Eugene-Springfield metropolitan area. The seven-member Commission is composed of members appointed by the City Councils of Eugene (3 representatives), Springfield (2 representatives) and the Lane County Board of Commissioners (2 representatives). Since its inception, the Commission, in accordance with the IGA, has been responsible for oversight of the Regional Wastewater Program (RWP) including: construction, maintenance, and operation of the regional sewerage facilities; adoption of financing plans; adoption of budgets, user fees and connection fees; adoption of minimum standards for industrial pretreatment and local sewage collection systems; and recommendations for the expansion of regional facilities to meet future community growth. Staffing and services have been provided in various ways over the 47 years of MWMC's existence. Since 1983, the Commission has contracted with the Cities of Springfield and Eugene for all staffing and services necessary to maintain and support the RWP. Lane County's partnership has involved participation on the Commission and authority for wastewater services and support for customers that are served by the MWMC in the Santa Clara unincorporated area.

Regional Wastewater Program Purpose and Key Outcomes

The purpose of the RWP is to protect public health and safety and the environment by providing high quality wastewater management services to the Eugene-Springfield metropolitan area. The MWMC and the regional partners are committed to providing these services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs while meeting customer service expectations. Since the mid-1990s, the Commission and RWP staff have worked together to identify key outcome areas within which to focus annual work plan and budget priorities. The FY 24-25 RWP work plans and budget reflect a focus on the following key outcomes or goals. In carrying out the daily activities of managing the regional wastewater system, we will strive to achieve and maintain:

- 1. High environmental standards;***
- 2. Fiscal management that is effective and efficient;***
- 3. A successful intergovernmental partnership;***
- 4. Maximum reliability and useful life of regional assets and infrastructure;***
- 5. Public awareness and understanding of MWMC, the regional wastewater system, and MWMC's objectives of maintaining water quality and a sustainable environment.***

The Commission believes that these outcomes, if achieved in the long term, will demonstrate success of the RWP in carrying out its purpose. In order to help determine whether we are successful, indicators of performance and targets have been identified for each key outcome. Tracking performance relative to identified targets over time assists in managing the RWP to achieve desired results. The following indicators and performance targets provide an important framework for the development of the FY 24-25 RWP Operating Budget, Capital Improvements Program, and associated work plans.

Outcome 1: Achieve and maintain high environmental standards.

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
<ul style="list-style-type: none"> Maximize RNG Runtime 	--	Design and procure a Waste Gas Burner (WGB); 70% Runtime	Complete construction of a WGB; 80% Runtime
<ul style="list-style-type: none"> Optimize heat-loop efficiency 	--	Complete heat-loop optimization study	Implement optimization study recommendations
<ul style="list-style-type: none"> Average removal efficiency of carbonaceous biochemical oxygen demand (CBOD) and total suspended solids (TSS) (permit limit 85%) 	Achieved 97%	Achieve 97%	Achieve 95%
<ul style="list-style-type: none"> High quality biosolids (pollutant concentrations less than 50% of EPA exceptional quality criteria) 	Arsenic 21% Cadmium 33% Copper 35% Lead 17% Mercury 5% Nickel 5% Selenium 11% Zinc 36%	Arsenic 25% Cadmium 35% Copper 35% Lead 20% Mercury 10% Nickel 10% Selenium 20% Zinc 35%	Arsenic <50% Cadmium <50% Copper <50% Lead <50% Mercury <50% Nickel <50% Selenium <50% Zinc <50%
<ul style="list-style-type: none"> ISO14001 Environmental Management System – Continual Improvement of Environmental Performance 	All objectives were met and no major non-conformities; Evaluated an electric dredge; completed new laboratory information management system	All objectives met with no major non-conformities	All objectives met with no major non-conformities

Outcome 1: *Achieve and maintain high environmental standards (continued)*

- Climate Action Planning Completed FY 2022-23 Greenhouse Gas Emissions Inventory; presented to Commission on 11/17/2023 GHG Emissions data gathering and protocol documents review Complete FY 2024-25 Greenhouse Gas Emissions Inventory; present to Commission in fall 2025

Outcome 2: *Achieve and maintain fiscal management that is effective and efficient.*

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
• Annual budget and rates align with the MWMC Financial Plan	Policies were met	Policies met	Policies met
• Annual audited financial statements	Clean audit	Clean audit	Clean audit
• Uninsured bond rating	AA	AA	AA
• Reserves funded at target levels	Yes	Yes	Yes
• Maintain Sound Financial Practices per the MWMC Financial Plan	Yes	Yes	Minor updates to the Financial Plan
• Ensure rates and rate changes are planned, moderate and incremental	3.5% Increase	4.5% Increase	≤ 5.5% Increase
• MWMC utility billing collection rate at or above 98%	Achieved 99.79%	Achieve > 98%	Achieve > 98%

Outcome 3: Achieve and maintain a successful intergovernmental partnership.

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
<ul style="list-style-type: none"> Update MWMC Facilities Plan (Project P80101) 	Started Project P80101	Work in progress	Complete by Winter 2025
<ul style="list-style-type: none"> Implement and approve revised local limits and an updated MWMC pretreatment model ordinance; implement and adopt model ordinance into Eugene and Springfield Codes 	Local limits approved by DEQ; adopted and implemented local limits in Eugene and Springfield; adopted local ordinances in Eugene and Springfield	Local ordinances final approval from DEQ; Begin implementation	Complete implementation
<ul style="list-style-type: none"> Partnership Assessment Tool 	Scope assessment tool options; present concepts/options for Commission consideration; Create RFP and select consultant	Begin data collection; report first round results to Commission	Begin implementation of approved recommendations as next steps
<ul style="list-style-type: none"> Presentations regarding MWMC partnership, services and outcomes delivered jointly 	Three presentations delivered by staff	Three presentations delivered by staff	Two presentations delivered by staff
<ul style="list-style-type: none"> Leverage inter-organizational and community partnerships to advance MWMC objectives 	Enrolled new shade credits sites via Pure Water Partners; collaborated with Urban Waters & Wildlife Partnership on biochar stormwater treatment	Continued enrollment and establishment of PWP shade credit sites; co-promoted biochar opportunities with UWWP	Identify MWMC One Water partnership project roles and outcomes

Outcome 4: Maximize reliability and useful life of regional assets and infrastructure.

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
<ul style="list-style-type: none"> Preventive maintenance completed on time (best practices benchmark is 90%) 	96% (9,037 PMs)	96%	90%
<ul style="list-style-type: none"> Preventive maintenance to corrective maintenance ratio (benchmark 4:1-6:1) 	6.0:1 (8,380 PMs: 1,408 CMs)	4.9:1	5:1
<ul style="list-style-type: none"> Emergency maintenance required (best practices benchmark is less than 2% of labor hours) 	0.9% (233 hours / 26,862 hrs)	0.3%	< 2%
<ul style="list-style-type: none"> Asset management (AM) processes and practices review and development 	Completed 4 of the identified improvements in the AM plan	Investigate assets not captured in Maximo, e.g., pipe, roadways, fences	Identify “critical” assets
<ul style="list-style-type: none"> MWMC Resiliency Plan 	Conveyance system pipe repair kits	Emergency supplies storage containers	Design building seismic improvements on select buildings

Outcome 5: Achieve and maintain public awareness and understanding of MWMC, the regional wastewater system, and MWMC's objectives of maintaining water quality and a sustainable environment.

Indicators:	Performance:		
	FY 22-23 Actual	FY 23-24 Estimated Actual	FY 24-25 Target
• Communications Plan	Continued implemented 2021 Communications Plan	Update 2021 Plan as needed based on market trends	Update 2021 Plan as needed based digital advertising campaign results & market trends
• Promote MWMC social media channels and website	Grew Facebook followers to 1,200, Twitter to 215 and Instagram to 825; website visitors to 9,100 with 13,000 pageviews	Implement strategies to grow Facebook/Meta followers to 1,400, X (Twitter) to 200 and Instagram to 950; and website visitors to 10,000 with 14,000 pageviews	Implement strategies to grow Facebook/Meta followers to 1,500, X to 225 and Instagram to 1,100 and website visitors to 11,000 with 15,000 pageviews
• Create and distribute MWMC e-newsletters	Distributed monthly and increased distribution to 610 subscribers with an open rate of 38% and a click-through rate of 3%	Distribute monthly and increase distribution to 750 subscribers with an open rate of 40% and a click-through rate of 5%	Distribute monthly and increase distribution to 875 subscribers with an open rate of 45% and a click-through rate of 8%
• Pollution prevention/ sponsorships campaigns	Completed 2 campaigns, 4 sponsorships; reaching 40% of residents in the service area	Complete 2 campaigns, 5 sponsorships; reaching 40% of residents in the service area	Complete 2 campaigns, 5 sponsorships; reaching +40% of residents in the service area
• Provide tours of the MWMC Facilities	Provided tours for greater than 1,000 people	Provide tours for greater than 1,000 people	Provide tours for greater than 1,250 people
• Clean Water University	Reached 25% of 5 th Graders in the service area	Reach >25% of 5 th Graders in the service area	Reach 40% of 5 th Graders in the service area

Roles and Responsibilities

In order to effectively oversee and manage the RWP, the partner agencies provide all staffing and services to the MWMC. The following sections describe the roles and responsibilities of each of the partner agencies, and how intergovernmental coordination occurs on behalf of the Commission.

City of Eugene

The City of Eugene supports the RWP through representation on the MWMC, provision of operation and maintenance services, and active participation on interagency project teams and committees. Three of the seven MWMC members represent Eugene – two citizens and one City Councilor. Pursuant to the Intergovernmental Agreement (IGA), the Eugene Wastewater Division operates and maintains the Regional Water Pollution Control Facility (WPCF), the Biosolids Management Facility (BMF) and associated residuals and reclaimed water activities, along with regional wastewater pumping stations and transmission sewers. In support of the RWP, the Division also provides technical services for wastewater treatment; management of equipment replacement and infrastructure rehabilitation; biosolids treatment and recycling; industrial source control (in conjunction with Springfield staff); and regional laboratory services for wastewater and water quality analyses. These services are provided under contract with the MWMC through the regional funding of 81.68 full-time equivalent (FTE) employees.

City of Springfield

The City of Springfield supports the RWP through representation on the MWMC, provision of MWMC administration services, and active coordination of and participation on interagency project teams and committees. Two MWMC members represent Springfield – one citizen and one City Councilor. Pursuant to the IGA, the Springfield Development and Public Works Department, provides staff to serve as the MWMC Executive Officer / General Manager, respectively. The Environmental Services Division and Finance Department staff provide ongoing staff support to the Commission and administration of the RWP in the following areas: legal and risk management services; financial management and accounting; coordination and management of public policy; regulatory and permit compliance issues; coordination between the Commission and the governing bodies; long-range capital project planning, design, and construction management; coordination of public information, education, and citizen involvement programs; and coordination and development of regional budgets, rate proposals, and revenue projections. Springfield staff also provides local implementation of the Industrial Pretreatment Program, as well as billing coordination and customer service. These services are provided under contract with the MWMC through the regional funding of 16.90 FTE of Development and Public Works Department staff and .88 FTE of Finance Department staff, and .03 FTE of City Manager's Office for a total 17.81 FTE as reflected in the FY 24-25 Budget.

Lane County

Lane County supports the RWP through representation on the MWMC, including two MWMC members that represent Lane County – one citizen and one County Commissioner. Lane County's partnership initially included providing support to manage the proceeds and repayment of the RWP general obligation bonds to finance the local share of the RWP facilities construction. These bonds were paid in full in 2002. The County, while not presently providing sewerage, has the authority under its charter to do so. The Urban Growth Boundary includes the two Cities (urban lands) and certain unincorporated areas surrounding the Cities which lies entirely within the County. Federal funding policy requires sewage treatment and disposal within the Urban Growth Boundary to be provided on a unified, metropolitan basis.

Interagency Coordination

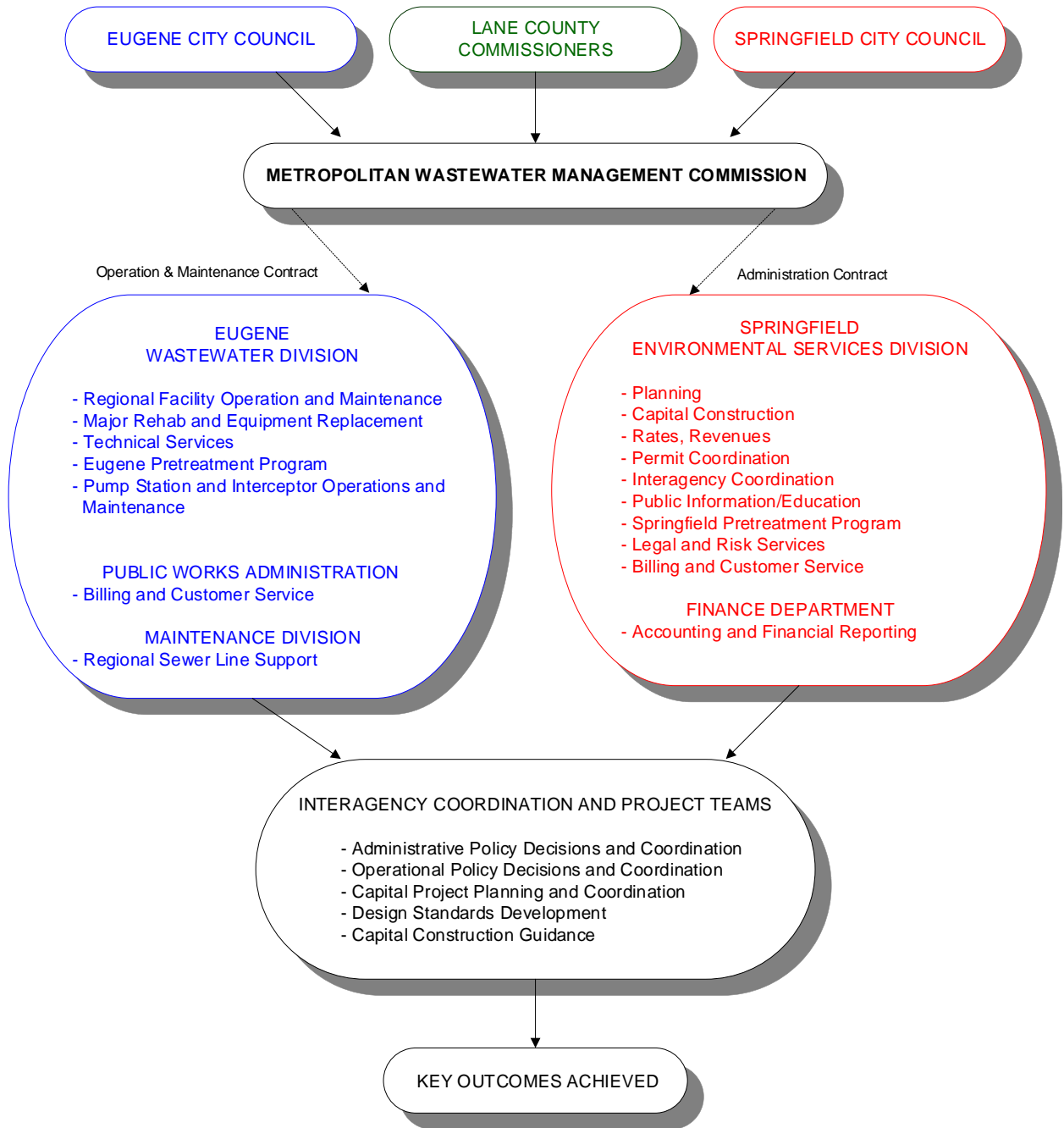
The effectiveness of the MWMC and the RWP depends on extensive coordination, especially between Springfield and Eugene staff, who provide ongoing program support. This coordination occurs in several ways. The Springfield MWMC Executive Officer / MWMC General Manager, together with the Eugene Wastewater Division Director coordinate regularly to ensure adequate communication and consistent implementation of policies and practices as appropriate. The Eugene and Springfield Industrial Pretreatment Program supervisors and staff meet regularly to ensure consistent implementation of the Model Industrial Pretreatment Ordinance. In addition, interagency project teams provide input on and coordination of ongoing MWMC administration issues and ad hoc project needs.

Exhibit 1 on the following page reflects the interagency coordination structure supporting the RWP. Special project teams are typically formed to manage large projects such as design and construction of new facilities. These interagency staff teams are formulated to provide appropriate expertise, operational knowledge, project management, and intergovernmental representation.

Relationship to Eugene and Springfield Local Sewer Programs

The RWP addresses only part of the overall wastewater collection and treatment facilities that serve the Eugene-Springfield metropolitan area. The Cities of Eugene and Springfield both maintain sewer programs that provide for construction and maintenance of local collection systems and pump stations, which discharge to the regional system. Sewer user fees collected by the two Cities include both local and RWP rate components.

EXHIBIT 1
REGIONAL WASTEWATER PROGRAM
INTERAGENCY COORDINATION STRUCTURE



BUDGET SUMMARY

**REGIONAL WASTEWATER PROGRAM
FY 24-25 BUDGET**

The MWMC’s RWP Operating Budget provides the Commission and governing bodies with an integrated view of the RWP elements. Exhibit 2 provides a summary of the overall Operating Budget. Separate Springfield and Eugene agency budgets and staffing also are presented within this budget document. Major program areas supported by Springfield and Eugene are described in the pages that follow and are summarized in Exhibit 3 on page 18. Finally, Exhibit 4 on page 19 combines revenues, expenditures, and reserves to illustrate how funding for all aspects of the RWP is provided. It should also be noted that the “Amended Budget FY 23-24” column in all budget tables represents the updated FY 23-24 RWP budget as of February 9, 2024, which reconciled actual beginning balances at July 1, 2023, and approved budget transfers and supplemental requests.

EXHIBIT 2

**REGIONAL OPERATING BUDGET SUMMARY
INCLUDING RESERVE CONTRIBUTIONS**

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE (1) INCR/(DECR)	
Full-Time Equivalent Staffing Level	99.49	99.49	102.47	2.98	3.0%
Personnel Services (2)	\$13,886,087	\$13,886,087	\$14,049,147	\$163,060	1.2%
Materials & Services (2)	9,646,461	9,890,618	10,162,557	516,096	5.4%
Capital Outlay (2, 3)	380,000	465,000	1,105,000	725,000	90.8%
Equip Replacement Contributions (4)	1,500,000	1,500,000	2,250,000	750,000	50.0%
Capital Contributions (5)	12,800,000	12,800,000	13,000,000	200,000	1.6%
Debt Service (6)	4,113,000	4,113,000	4,107,750	(5,250)	-0.1%
Working Capital Reserve (7)	900,000	900,000	900,000	-	0%
Rate Stability Reserve (8)	2,000,000	2,000,000	2,000,000	-	0%
Insurance Reserve (9)	1,500,000	1,500,000	1,500,000	-	0%
Operating Reserve (10)	4,158,782	5,869,537	4,240,707	81,925	2.0%
Rate Stabilization Reserve (11)	2,000,000	2,000,000	2,000,000	-	0%
SRF Loan Reserve (12)	50,000	50,000	50,000	-	0%
Budget Summary	\$52,934,330	\$54,974,242	\$55,365,160	\$2,430,831	4.6%

Notes:

1. The Change column and Percent Change column compare the Proposed FY 24-25 Budget with the originally Adopted FY 23-24 Budget column.
2. Personnel Services, Materials and Services, and Capital Outlay budget amounts represent combined Springfield and Eugene Operating Budgets that support the RWP.
3. Capital Outlay does not include CIP, Equipment Replacement, Major Capital Outlay, or Major Rehabilitation, which are capital programs.

4. The Equipment Replacement Contribution is a budgeted transfer of operating revenues to reserves for scheduled future equipment replacement, including all fleet equipment and other equipment, with an original cost over \$10,000, and with a useful life expectancy greater than one year. See table on page 25 for year-end balance.
5. The Capital Reserve Contribution is a budgeted transfer of operating revenues to reserves. Capital is passed through the Springfield Administration Budget. See table on page 26 for year-end balance.
6. The Debt Service line item is the sum of annual interest and principal payments on the Revenue Bonds and Clean Water State Revolving Fund (SRF) loans made from the Operating Budget (derived from user rates). The total amount of Debt Service budgeted in FY 24-25 is \$4,107,750.
7. The Working Capital Reserve acts as a revolving account which is drawn down and replenished on a monthly basis to fund Eugene's and Springfield's cash flow needs.
8. The Rate Stability Reserve is used to set aside revenues available at year-end after the budgeted Operating Reserve target is met. Internal policy has established a level of \$2 million for the Rate Stability Reserve. See Exhibit 5 on page 24 for year-end balance.
9. The Insurance Reserve was established to set aside funds to cover the insurance deductible amount for property and liability insurance coverage, for losses per occurrence. The Insurance Reserve is set at \$1.5 million.
10. The Operating Reserve is used to account for the accumulated operating revenues net of operations expenditures. The Commission's adopted policy provides minimum guidelines to establish the Operating Reserve balance at approximately two months operating expenses of the adopted Operating Budget. The Operating Reserve provides for contingency funds in the event that unanticipated expenses or revenue shortfalls occur during the budget year.
11. The Rate Stabilization Reserve contains funds to be used at any point in the future when net revenues are insufficient to meet the bond covenant coverage requirements. The Commission shall maintain the Rate Stabilization Reserve account as long as bonds are outstanding. This reserve is set at \$2 million.
12. The Clean Water SRF loan reserve is budgeted as required per loan agreements.

EXHIBIT 3

REGIONAL WASTEWATER PROGRAM OPERATING BUDGET
LINE ITEM SUMMARY BY PROGRAM AREA

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE INCR/(DECR)	
SPRINGFIELD						
MWMC ADMINISTRATION						
Personnel Services	\$1,766,173	\$1,980,562	\$1,980,562	\$2,123,288	\$142,726	7.2%
Materials & Services	2,126,724	2,555,605	2,640,438	2,782,286	226,681	8.9%
Capital Outlay	65,612.96	-	88,070	-	-	--
TOTAL	\$3,958,510	\$4,536,166	\$4,709,069	\$4,905,574	\$369,407	8.1%
INDUSTRIAL PRETREATMENT						
Personnel Services	\$389,798	\$427,427	\$427,428	\$438,337	\$10,910	2.6%
Materials & Services	146,418	170,407	314,564	167,195	(3,212)	-1.9%
Capital Outlay	-	-	55,000	-	-	--
TOTAL	\$536,217	\$597,834	\$796,992	\$605,532	\$7,698	1.3%
ACCOUNTING						
Personnel Services	\$125,469	\$134,761	\$134,761	\$144,185	\$9,424	7.0%
Materials & Services	38,626	47,113	47,113	49,812	2,699	5.7%
Capital Outlay	-	-	-	-	-	--
TOTAL	\$164,096	\$181,874	\$181,874	\$193,997	\$12,123	6.7%
TOTAL SPRINGFIELD						
Personnel Services	\$2,281,441	\$2,542,750	\$2,542,751	2,705,810	\$163,060	6.4%
Materials & Services	2,311,769	2,773,125	3,002,115	2,999,293	226,168	8.2%
Capital Outlay	65,612.96	-	143,070	-	-	NA
TOTAL	\$4,658,823	\$5,315,875	\$5,687,936	\$5,705,103	\$389,227	7.3%
EUGENE						
ADMINISTRATIVE SERVICES						
Personnel Services	\$1,240,413	\$2,731,560	\$2,731,560	\$2,731,560	\$0	0.0%
Materials & Services	395,016	1,053,755	1,053,755	978,160	(75,595)	-7.2%
Capital Outlay	-	-	-	-	-	NA
TOTAL	\$1,635,430	\$3,785,315	\$3,785,315	\$3,709,720	(\$75,595)	-2.0%
ADMIN CHARGES - EWEB						
Personnel Services	\$0	\$0	\$0	\$0	0	NA
Materials & Services	727,710	0	0	791,330	791,330	NA
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$727,710	\$0	\$0	\$791,330	\$791,330	NA
BIOSOLIDS MANAGEMENT						
Personnel Services	\$1,699,203	\$1,543,151	\$1,543,151	\$1,543,151	\$0	0.0%
Materials & Services	1,088,591	1,034,814	1,034,814	959,123	(75,691)	-7.3%
Capital Outlay	0	0	0	0	-	NA
TOTAL	\$2,787,794	\$2,577,965	\$2,577,965	\$2,502,274	(\$75,691)	-2.9%
INDUSTRIAL SOURCE CONTROL						
Personnel Services	\$605,941	\$728,992	\$728,992	\$728,992	\$0	0.0%
Materials & Services	102,648	234,248	234,248	217,572	(16,676)	-7.1%
Capital Outlay	0	0	0	0	-	--
TOTAL	\$708,589	\$963,240	\$963,240	\$946,564	(\$16,676)	-1.7%
TREATMENT PLANT						
Personnel Services	\$5,819,422	\$5,679,660	\$5,679,660	\$5,679,660	\$0	0.0%
Materials & Services	4,136,703	4,103,697	4,103,697	3,803,013	(300,684)	-7.3%
Capital Outlay	96,930	380,000	380,000	1,105,000	725,000	190.8%
TOTAL	\$10,053,054	\$10,163,357	\$10,163,357	\$10,587,673	\$424,316	4.2%
REGIONAL PUMP STATIONS						
Personnel Services	\$348,327	\$308,886	\$308,886	\$308,886	\$0	0.0%
Materials & Services	364,068	341,745	341,745	316,507	(25,238)	-7.4%
Capital Outlay	0	0	0	0	-	--
TOTAL	\$712,395	\$650,631	\$650,631	\$625,393	(\$25,238)	-3.9%
BENEFICIAL REUSE SITE						
Personnel Services	\$345,339	\$351,087	\$351,087	\$351,087	\$0	0.0%
Materials & Services	106,475	105,005	105,005	97,559	(7,446)	-7.1%
Capital Outlay	0	0	0	0	-	--
TOTAL	\$451,814	\$456,092	\$456,092	\$448,646	(\$7,446)	-1.6%
TOTAL EUGENE						
Personnel Services	\$10,058,645	\$11,343,336	\$11,343,336	\$11,343,336	\$0	0.0%
Materials & Services	6,921,211	6,873,264	6,873,264	7,163,264	290,000	4.2%
Capital Outlay	96,930	380,000	380,000	1,105,000	725,000	190.8%
TOTAL	\$17,076,786	\$18,596,600	\$18,596,600	\$19,611,600	\$1,015,000	5.5%
TOTAL REGIONAL BUDGET	\$21,735,609	\$23,912,475	\$24,284,536	\$25,316,703	\$1,404,228	5.9%

NOTE: Does not include Major Rehabilitation, Equipment Replacement or Major Capital Outlay

EXHIBIT 4

REGIONAL WASTEWATER PROGRAM
BUDGET SUMMARY AND COMPARISON

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE* INC(DEC)
<u>OPERATING BUDGET</u>				
Administration	\$5,315,875	\$5,687,936	\$5,705,103	\$389,228
Operations	18,596,600	18,596,600	19,611,600	1,015,000
Capital Contribution & Transfers	12,800,000	12,800,000	13,000,000	200,000
Equipment Replacement - Contribution	1,500,000	1,500,000	2,250,000	750,000
Operating & Revenue Bond Reserve	10,594,782	12,305,538	10,676,707	81,925
Debt Service	4,113,000	4,113,000	4,107,750	(5,250)
Total Operating Budget	\$52,920,257	\$55,003,074	\$55,351,160	\$2,430,903
<u>Funding:</u>				
Beginning Balance	\$11,599,893	\$13,682,710	\$11,089,438	(510,455)
User Fees	38,500,000	38,500,000	41,348,000	2,848,000
Other	2,820,364	2,820,364	2,913,722	93,358
Total Operating Budget Funding	\$52,920,257	\$55,003,074	\$55,351,160	\$2,430,903
<u>CAPITAL PROGRAM BUDGET</u>				
Poplar Harvest Management Services	50,000	128,891	0	NA
Administration Building Improvements	18,700,000	18,454,853	22,200,000	3,500,000
Electrical Switchgear & Transformer Replacement	19,400,000	19,882,462	16,600,000	(2,800,000)
Water Quality Trading Program	12,100,000	12,239,974	11,470,000	(630,000)
Class A Disinfection Facilities	6,790,000	6,825,572	8,100,000	1,310,000
Aeration System Upgrades (2023 to 2026)	3,200,000	4,195,765	3,200,000	0
Glenwood Pump Station Upgrade	1,500,000	1,898,846	1,700,000	200,000
Comprehensive Facilities Plan Update	1,800,000	3,215,206	1,450,000	(350,000)
WPCF Stormwater Infrastructure	310,000	400,000	520,000	210,000
Resiliency Follow-Up	500,000	1,289,367	300,000	(200,000)
Recycled Water Demonstration Projects	330,000	334,621	80,000	(250,000)
Waste Activated Sludge Thickening	-	-	1,500,000	NA
Repair Clarifiers & Final Treatment	-	-	1,500,000	NA
Facility Plan Engineering Services	-	-	500,000	NA
<u>Asset Management:</u>				
Equipment Replacement Purchases	1,835,000	3,412,918	1,415,000	(420,000)
Major Rehab	630,000	1,071,682	1,820,000	1,190,000
Major Capital Outlay	-	208,430	900,000	NA
Total Capital Projects	\$67,145,000	\$73,558,587	\$73,255,000	\$6,110,000
<u>Funding:</u>				
Equipment Replacement	\$1,835,000	\$3,412,918	\$1,415,000	(420,000)
SDC Improvement Reserve	6,654,320	6,920,594	9,096,280	2,441,960
Capital Reserve	58,655,680	63,225,075	62,743,720	4,088,040
Total Capital Projects Funding	\$67,145,000	\$73,558,587	\$73,255,000	\$6,110,000

Note: * The Change compares the proposed FY 24-25 budget to the originally adopted FY 23-24 budget column.

BUDGET AND RATE HISTORY

The graphs on page 21 show the regional residential wastewater service costs over a 5-year period, and a 5-year Regional Operating Budget Comparison. Because the Equipment Replacement, Major Rehabilitation and Major Capital Outlay programs are managed in the Eugene Operating Budget, based on the size, type and budget amount of the project these programs are incorporated into either the 5-year Regional Operating Budget Comparison graph or the 5-Year Capital Programs graph on page 22. The Regional Wastewater Capital Improvement Programs graph on page 20 shows the expenditures over the recent five years in the MWMC’s Capital Program and including Asset Management projects. A list of capital projects is located in Exhibit 13 on page 54.

As shown on the Regional Residential Sewer Rate graph on page 21, regional sewer user charges have incrementally increased to meet the revenue requirements necessary to fund facility improvements as identified in the 2004 MWMC Facilities Plan. This Plan and the subsequent 2014 Partial Facilities Plan Update demonstrated the need for a significant capital investment in new and expanded facilities to meet environmental performance requirements and capacity to serve the community.

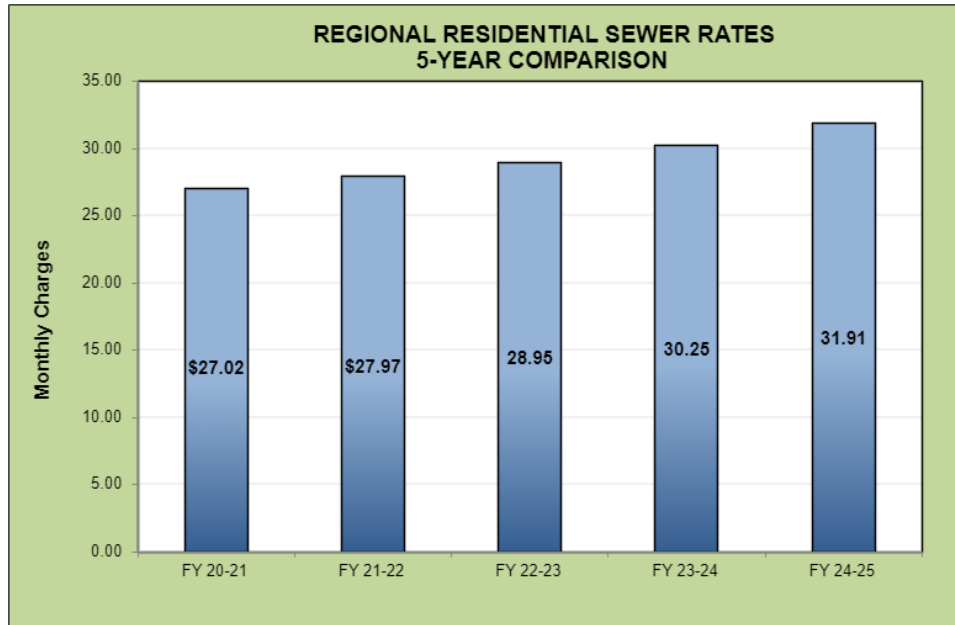
On November 1, 2022, the Department of Environmental Quality (DEQ) issued a National Pollutant Discharge Elimination System Permit (NPDES). Although a portion of these capital improvements can be funded through system development charges (SDCs), much of the funding for capital improvements over the approximately 5-year period will come from user charges. This has become a major driver of the MWMC’s need to increase sewer user rates, moderately and incremental on an annual basis.

The National Association of Clean Water Agency (NACWA) publishes an annual Cost of Clean Water Index, which indicates the national average charges for wastewater services. The index includes average wastewater charges by Environmental Protection Agency (EPA) regions. Of the EPA regions, Region 10, which includes Oregon, Washington and Idaho, reflects the second highest wastewater expenses nationwide, based on demographics, geography, regulatory requirements, and a range of other issues. Within Region 10, the annual change in the cost of clean water index reflected a 3.46% average increase over the past 3 years.

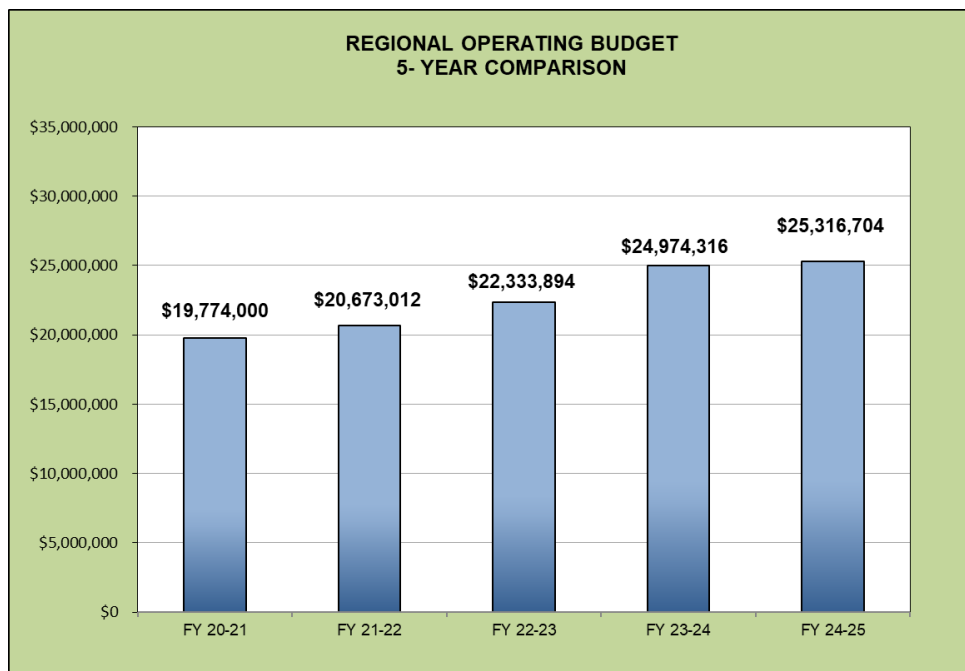
In FY 23-24 the MWMC regional user rates increased by 4.5% over the prior year rates. The FY 24-25 Budget is based on a 5.5% user rate increase over the FY 23-24 rates. This increase will provide for Operations, Administration, Capital programs, reserves and debt service, continuing to meet capital and operating requirements and supporting the Commission’s Financial Plan policies, as well as financially positioning for future investments in capital assets.

The following chart displays the regional component of a residential monthly bill when applying the base and flow rates to 5,000 gallons of wastewater treated, which includes a 5.5% or \$1.66 increase effective July 1, 2024.

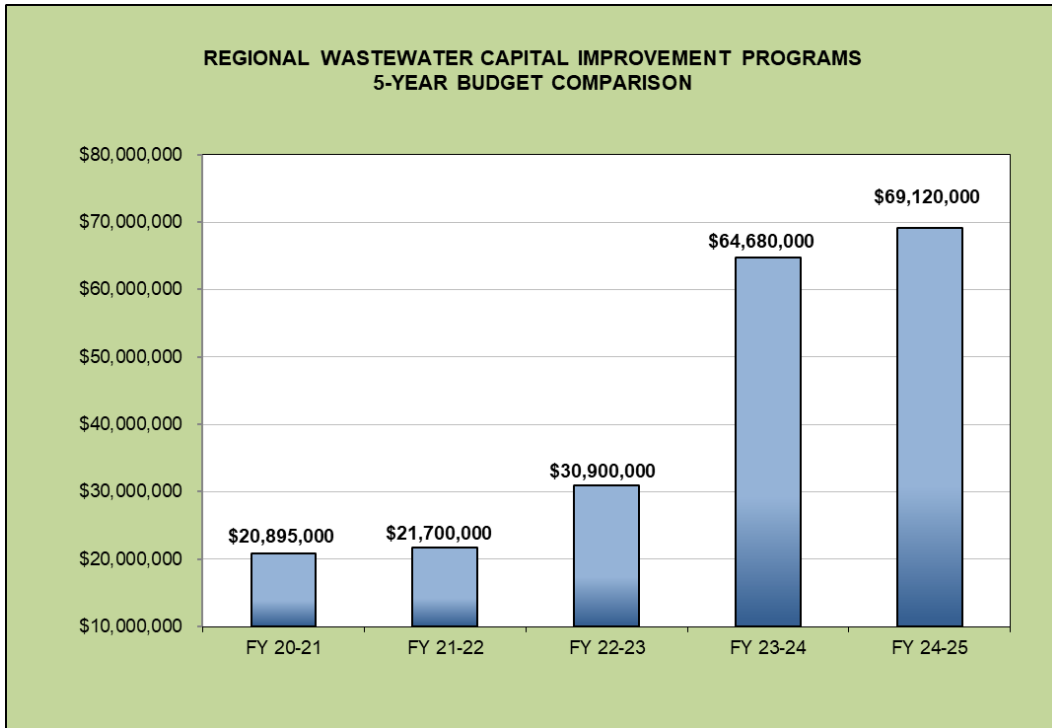
The graph below displays the regional component of a residential monthly bill, when applied to 5,000 gallons of wastewater treated for the recent 5-year period.



The graph below displays the Regional Operating Budget amounts for the recent 5-year period.



The graph below displays the Regional Wastewater Capital Improvement Program Budget amounts for the recent 5-year period.



RESERVE FUNDS

**REGIONAL WASTEWATER PROGRAM
RESERVES**

The RWP maintains reserve funds for the dedicated purpose to sustain stable rates while fully funding operating and capital needs. Commission policies and guidance, which direct the amount of reserves appropriated on an annual basis, are found in the MWMC Financial Plan. Further details on the FY 24-25 reserves are provided below.

OPERATING RESERVES

The MWMC Operating Budget includes six separate reserves: the Working Capital Reserve, Rate Stability Reserve, Rate Stabilization Reserve, State Revolving Fund (SRF) Reserve, Insurance Reserve and the Operating Reserve. Revenues are appropriated across the reserves in accordance with Commission policy and expenditure needs. Each reserve is explained in detail below.

WORKING CAPITAL RESERVE

The Working Capital Reserve acts as a revolving account that is drawn down and replenished on a monthly basis to provide funds for payment of Springfield Administration and Eugene Operations costs prior to the receipt of user fees from the Springfield Utility Board and Eugene Water and Electric Board. The Working Capital Reserve is set at \$900,000 for FY 24-25, \$200,000 of which is dedicated to Administration and \$700,000 is dedicated to Operations.

RATE STABILITY RESERVE

The Rate Stability Reserve was established to implement the Commission's objective of maintaining stable rates. It is intended to hold revenues in excess of the current year's operating and capital requirements for use in future years, in order to avoid potential rate spikes. The amount budgeted on an annual basis has been set at \$2 million, with any additional net revenues being transferred to the capital reserve for future projects.

RATE STABILIZATION RESERVE

The Rate Stabilization Reserve contains funds to be used at any point in the future when net revenues are insufficient to meet the bond covenant coverage requirement. The Commission shall maintain the Rate Stabilization account as long as bonds are outstanding. In FY 24-25 no additional contribution to this reserve is budgeted and the balance at June 30, 2024, will remain at \$2 million.

CLEAN WATER STATE REVOLVING FUND (SRF) RESERVE

The Clean Water SRF Reserve was established to meet revenue coverage requirements for SRF loans. The SRF Reserve is set at \$50,000 for FY 24-25.

INSURANCE RESERVE

The Insurance Reserve was established to set aside funds to cover the insurance deductible amount for property and liability insurance coverage, for losses per occurrence. The Insurance Reserve is set at \$1.5 million for FY 24-25.

OPERATING RESERVE

The Operating Reserve is used to account for accumulated operating revenues net of operating expenditures (including other reserves). The Commission's adopted policy provides guidelines to establish the Operating Reserve at a minimum target of two months expenses. For FY 24-25, the Operating Reserve is budgeted at \$4,240,707, which includes approximately two months of total Personnel Services, Materials and Services, and Capital Outlay in accordance with Commission policy.

EXHIBIT 5

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
OPERATING RESERVES			
Beginning Balance	\$11,599,893	\$13,682,709	\$11,089,438
User Fee Revenue	37,800,000	37,800,000	40,620,000
Septage Revenue	700,000	700,000	728,000
Other Revenue	2,244,460	2,244,460	2,236,000
Interest	200,000	200,000	300,000
RNG Revenue	350,000	350,000	350,000
Transfer from Reimbursement SDCs	25,904	25,904	27,722
Personnel Services	(13,886,086)	(13,886,087)	(14,049,146)
Materials & Services	(9,632,389)	(10,004,449)	(10,148,557)
Capital Outlay	(380,000)	(380,000)	(1,105,000)
Interfund Transfers	(14,300,000)	(14,300,000)	(15,250,000)
Debt Service - SRF Loan	(103,250)	(103,250)	(102,750)
Debt Service - 2016 Revenue Bond	(4,009,750)	(4,009,750)	(4,005,000)
Working Capital	(900,000)	(900,000)	(900,000)
Insurance Reserve	(1,500,000)	(1,500,000)	(1,500,000)
SRF Loan Reserve	(50,000)	(50,000)	(50,000)
Rate Stability Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Rate Stabilization Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Operating Reserve	\$4,158,782	\$5,869,537	\$4,240,707

CAPITAL RESERVES

The MWMC Capital Budget includes four reserves: the Equipment Replacement Reserve, SDC Reimbursement Reserves, SDC Improvement Reserves, and the Capital Reserve. These reserves accumulate revenue to help fund capital projects including equipment replacement and major rehabilitation. They are funded by annual contributions from user rates, SDCs, and loans. Each reserve is explained in detail below.

EQUIPMENT REPLACEMENT RESERVE

The Equipment Replacement Reserve accumulates replacement funding for three types of equipment: 1) major/stationary equipment items valued over \$10,000 with life expectancy greater than one year; 2) fleet vehicles maintained by the Eugene Wastewater Division; and 3) computer servers that serve the Eugene Wastewater Division. Contributions to the Equipment Replacement Reserve in the FY 24-25 budget total \$2,250,000, additional budget details are provided below.

The Equipment Replacement Reserve is intended to accumulate funds necessary to provide for the timely replacement or rehabilitation of equipment and may also be borrowed against to provide short-term financing of capital improvements. An annual analysis is performed on the Equipment Replacement Reserve. Estimates used in the analysis include replacement costs, interest earnings, inflation rates and useful lives for the equipment.

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
EQUIPMENT REPLACEMENT RESERVE			
Beginning Balance	12,982,786	14,172,383	12,880,662
Annual Equipment Contribution	1,500,000	1,500,000	2,250,000
Interest	68,586	68,586	271,904
Equipment Purchases	(1,835,000)	(3,412,918)	(1,415,000)
Equipment Replacement Reserve	\$12,716,372	\$12,328,051	\$13,987,566

SYSTEM DEVELOPMENT CHARGE (SDC) RESERVES

SDCs are required as part of the MWMC IGA. They are connection fees charged to new users to recover the costs related to system capacity and are limited to funding Capital Programs. The purpose of the SDC Reserves is to collect and account for SDC revenues separately from other revenue sources, in accordance with Oregon statutes. The Commission’s SDC structure includes a combination of “Reimbursement” and “Improvement” fee components. Estimated SDC revenues for FY 24-25 are approximately \$2,500,000. The projected beginning SDC Reserve balance on July 1, 2024 is \$11,706,912.

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
REIMBURSEMENT SDC RESERVE			
Beginning Balance	\$2,110,321	\$2,240,650	\$2,437,714
Reimbursement SDCs Collected	200,000	200,000	270,000
Interest	9,918	9,918	52,300
SDC Compliance Charge	7,000	7,000	8,000
Transfer to Fund 612	(25,904)	(25,904)	(27,722)
Materials & Services	(4,000)	(4,000)	(4,000)
Reimbursement SDC Reserve	\$2,297,335	\$2,427,664	\$2,736,292

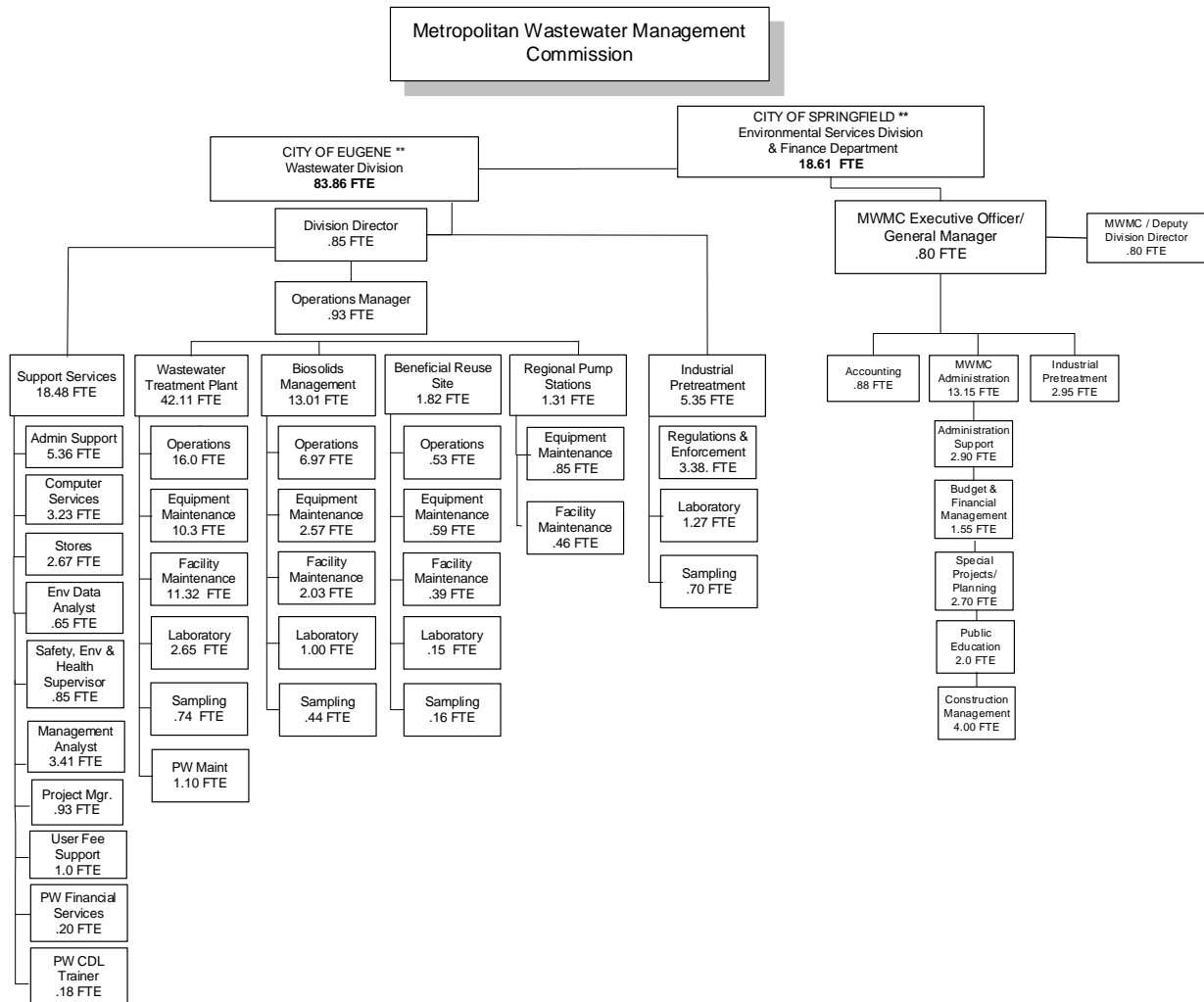
	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
IMPROVEMENT SDC RESERVE			
Beginning Balance	\$9,262,612	\$10,907,458	\$11,269,198
Improvement SDCs Collected	1,800,000	1,800,000	2,500,000
Interest	42,554	42,554	177,662
Materials & Services	(10,000)	(10,000)	(10,000)
Funding for Capital Improvement Projects	(6,654,320)	(6,920,594)	(9,096,280)
Improvement SDC Reserve	\$4,440,846	\$5,819,418	\$4,840,580

CAPITAL RESERVE

The Capital Reserve accumulates funds transferred from the Operating Reserve for the purpose of funding the CIP, Major Capital Outlay and Major Rehabilitation Program costs. The intent is to collect sufficient funds over time to construct a portion of planned capital projects with cash in an appropriate balance with projects that are funded with debt financing. The FY 24-25 Budget includes a contribution from the Operating Reserve of \$13,000,000. The beginning balance on July 1, 2024, is projected to be \$74,407,785. Additional budget detail on the CIP, Major Capital Outlay and Major Rehabilitation Program reserves is provided below.

	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25
CAPITAL RESERVES			
Beginning Balance	\$68,841,769	\$72,613,300	\$74,407,785
Transfer from Operating Reserve	12,800,000	12,800,000	13,000,000
Interest	298,942	298,942	998,134
Other Income	800	800	800
Funding For Capital Improvement Projects	(58,025,680)	(61,944,963)	(60,023,720)
Funding For Major Rehabilitation	(630,000)	(1,071,682)	(1,820,000)
Funding For Major Capital Outlay	-	(208,430)	(900,000)
Capital Reserve	\$23,285,831	\$22,487,967	\$25,662,999

EXHIBIT 6
REGIONAL WASTEWATER PROGRAM*
ORGANIZATION CHART FY 24-25



Notes:

- * Full-Time Equivalent (FTE) figures represent portions of Eugene and Springfield staff funded by regional wastewater funds.
- ** The chart represents groups of staff dedicated to program areas rather than specific positions.

EXHIBIT 7REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY

CLASSIFICATION	ADOPTED	AMENDED	PROPOSED	FTE CHANGE
	BUDGET FY 23-24	BUDGET FY 23-24	BUDGET FY 24-25	
SPRINGFIELD ENVIRONMENTAL SERVICES & FINANCE				
Accountant	0.80	0.80	0.80	-
Accounting Manager	0.08	0.08	0.08	-
Administrative Specialist	2.70	2.70	2.70	-
Assistant City Manager	0.03	0.03	0.03	-
Civil Engineer	2.00	2.00	2.00	-
Design & Construction Coordinator	1.00	1.00	1.00	-
Deputy Division Director	0.00	0.00	0.80	0.80
Environmental Analyst	1.00	1.00	1.00	-
Environmental Management Analyst	0.90	0.90	0.90	-
Environmental Services Program Manager	0.80	0.80	0.80	-
Environmental Services Supervisor	1.95	1.95	1.95	-
Environmental Services Technician	2.00	2.00	2.00	-
ESD Division Director/MWMC Executive Officer	0.80	0.80	0.80	-
Management Analyst	0.75	0.75	0.75	-
MWMC Managing Engineer	1.00	1.00	1.00	-
Public Information & Education Analyst	2.00	2.00	2.00	-
TOTAL SPRINGFIELD	17.81	17.81	18.61	0.80

EXHIBIT 7 (Continued)

REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY

CLASSIFICATION	ADOPTED	AMENDED	PROPOSED	FTE CHANGE
	BUDGET FY 23-24	BUDGET FY 23-24	ADOPTED FY 24-25	
EUGENE WASTEWATER DIVISION & OTHER PW				
Administrative Specialist	0.95	0.95	0.95	0.00
Administrative Specialist, Sr	1.78	1.78	1.78	0.00
Application Support Technician, Sr	0.95	0.95	0.95	0.00
Application Systems Analyst 2	1.78	1.78	2.28	0.50
Custodian	2.00	2.00	2.00	0.00
Division Director	0.85	0.85	0.85	0.00
Environmental Compliance Specialist	4.64	4.64	4.64	0.00
Environmental Svs Supervisor (Lab, Sampling, ISC)	1.71	1.71	1.71	0.00
Facilities Project Manager	0.65	0.65	0.65	0.00
Finance & Administrative Manager	0.89	0.89	0.89	0.00
Laboratory Assistant	0.82	0.82	0.82	0.00
Laboratory Specialist	2.15	2.47	2.47	0.00
Laboratory Specialist, Sr	1.72	1.72	1.72	0.00
Maintenance Manager	0.93	0.93	0.93	0.00
Maintenance Mechanic	8.20	8.20	8.20	0.00
Maintenance Supervisor	2.88	2.88	2.88	0.00
Maintenance Worker	13.25	13.25	13.25	0.00
Management Analyst	2.67	2.67	2.67	0.00
Management Analyst, Sr	0.00	0.00	1.50	1.50
Operations Manager	0.93	0.93	0.93	0.00
Operations Supervisor (Plant and Residuals)	2.00	2.00	2.00	0.00
Operator (Plant and Residuals)	19.00	20.00	20.00	0.00
Operator, Process Controls Specialist	1.00	1.00	1.00	0.00
PW Engineering Associate	0.35	0.35	0.35	0.00
PW Heavy Equipment and CDL Trainer	0.00	0.00	0.18	0.18
PW Financial Services Manager	0.20	0.20	0.20	0.00
PW Utility Billing Coordinator	1.00	1.00	1.00	0.00
Supply Specialist	1.78	1.78	1.78	0.00
Systems Electrician	4.28	5.28	5.28	0.00
TOTAL EUGENE	79.36	81.68	83.86	2.18
GRAND TOTAL	97.17	99.49	102.47	2.98

**CITY OF SPRINGFIELD
REGIONAL WASTEWATER PROGRAM RESPONSIBILITIES**

The City of Springfield manages administration services for the RWP under the Intergovernmental Agreement for the Metropolitan Wastewater Management Commission (MWMC). The programs maintained by Springfield to support the RWP are summarized below and are followed by Springfield's regional wastewater budget summaries. Activities, and therefore program budgets, for the MWMC administration vary from year to year depending upon the major construction projects and special initiatives underway. A list of the capital projects Springfield staff will support in FY 24-25 is provided in Exhibit 12 on page 47.

Program Responsibilities

- Administration & Management
- Financial Planning & Management
- Long-Range Capital Project Planning
- Project and Construction Management
- Coordination between the Commission and governing bodies
- Coordination and Management of:
 - Risk Management & Legal Services
 - Public Policy Issues
 - Regulatory and Permit Compliance
- Public Information, Education and Outreach
- Industrial Pretreatment Source Control
- Customer Service

MWMC ADMINISTRATION

The Springfield Environmental Services Division (ESD) and Finance Department provide ongoing support and management services for the MWMC. The ESD Director serves as the MWMC Executive Officer and General Manager. Springfield provides the following administration functions: financial planning management, accounting and financial reporting; risk management and legal services; coordination and management of public policy; coordination and management of regulatory and permit compliance issues; coordination between the Commission and the governing bodies; long-range capital project planning and construction management; coordination of public information, education, and citizen involvement programs; sewer user customer service; and coordination and development of regional budgets, rate proposals, and revenue projections.

INDUSTRIAL PRETREATMENT (SOURCE CONTROL) PROGRAM

The Industrial Pretreatment Program is a regional activity implemented jointly by the Cities of Eugene and Springfield. The Industrial Pretreatment section of the ESD is charged with administering the program for the regulation and oversight of wastewater discharged to the sanitary collection system by industries in Springfield. This section is responsible for ensuring that these wastes do not damage the collection system, interfere with wastewater treatment processes, result in the pass-through of harmful pollutants to treated effluent or biosolids, or threaten worker health or safety.

This responsibility is fulfilled, in part, by the use of a permit system for industrial dischargers. This permit system, common to both Eugene and Springfield, implements necessary limitations on waste characteristics and establishes inspection, monitoring, and reporting requirements for documenting waste quality and quantity controls. The Industrial Pretreatment section is also responsible for locating new industrial discharges in Springfield and evaluating the impact of those discharges on the regional WPCF. The Industrial Pretreatment Program also addresses the wastewater discharges of some commercial/industrial businesses through the development and implementation of Pollution Management Practices. Pretreatment program staff also coordinates pollution prevention activities in cooperation with the Pollution Prevention Coalition of Lane County.

ACCOUNTING AND FINANCIAL REPORTING

Accounting and financial reporting services for the RWP are provided by the Accounting division in the Springfield Finance Department, in coordination with ESD. Springfield Accounting staff provides oversight of financial control systems, ensures compliance with all local, state and federal accounting requirements for MWMC including debt management and treasury management services. This division also assists ESD with preparation of the MWMC budget, capital financing documents, sewer user rates, and financial policies and procedures.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 24-25, the City of Springfield will support the following major regional initiatives in addition to ongoing Commission administration and industrial pretreatment activities:

- Continue public information, education and outreach activities focused on the MWMC's Key Outcomes and Communication Plan objectives to increase awareness of the MWMC's ongoing efforts in maintaining water quality and a sustainable environment.
- Implement Capital Financing strategies necessary to meet current debt obligations, prepare for additional debt financing, and ensure sufficient revenues in accordance with the MWMC Financial Plan.
- Continue implementation of the 2004 MWMC Facilities Plan and 2014 Partial Facilities Plan Update to meet all regulatory requirements and capacity needs. Considering emerging environmental regulations that may impact the operation of the WPCF.
- Protect the Regional Wastewater Program (RWP) interests through participation in Association of Clean Water Agencies activities.
- Coordinate temperature Total Maximum Daily Load (TMDL) compliance through continued development and implementation of the thermal load mitigation strategy, including but not limited to a recycled water program.
- Continue participation with the Association of Clean Water Agencies and the Department of Environmental Quality on regulatory permitting strategies and the development of water quality trading rules.
- Implement resiliency planning to ensure protection of public health and safety following natural disasters such as earthquakes and floods.
- Planning operationally and financially to continue the MWMC's NPDES permit requirements, the DEQ permit was issued on November 1, 2022 and will expire on September 30, 2027.

BUDGET CHANGES FOR FY 24-25

The budget for Springfield Personnel Services, Materials and Services, and Capital Outlay for FY 24-25 totals \$5,705,104 representing an overall increase of \$389,157 or 7.3% from the adopted FY 23-24 budget, as displayed in Exhibit 8 on page 33.

Personnel Services

Personnel Services totaling \$2,705,811 represents a FY 24-25 increase of \$163,060 or 6.4% above the originally adopted FY 23-24 budget. The notable changes are summarized below:

Staffing

The FY 24-25 staffing budget includes a relatively flat number of Full Time Equivalent (FTEs) resulting in a total staffing level at 18.61 FTE in Springfield which increased by 0.80 as summarized below:

Regular Salaries and Overtime - \$1,769,254 an increase of \$123,740 or 7.5%

Salaries are based upon the negotiated management/labor contracts as approved by the Springfield City Council, and staffing levels.

Employee Benefits - \$516,394 an increase of \$47,507 or 9.2%

The employee benefits consist mainly of PERS/OPSRP retirement system costs, FICA and Medicare contributions.

Health Insurance - \$353,456, a decrease of \$9,896 or 0.2%

The small increase is based on group claims experience and cost projections. Costs are calculated based on the number of employees.

Materials and Services

The Materials and Services budget total is \$2,999,293 in FY 24-25, representing an increase of \$226,168 or 8.2% above the adopted FY 23-24 budget. The notable changes are summarized below:

Billing & Collection Expense - \$927,000, an increase of \$27,000 or 3.0%

The \$27,000 increase includes contracted billing services for Eugene and Springfield utility billing services combined, as funded through the Springfield portion of the regional budget. The increase reflects growth in customer transactions and billing service contracts.

Property & Liability Insurance - \$540,000, an increase of \$90,000 or 20.0%

The \$90,000 increase reflects insurance on newly constructed infrastructure and maintaining incremental increases on existing assets for property insurance coverage. Including services provided by the MWMC Agent of Record for property/liability coverage.

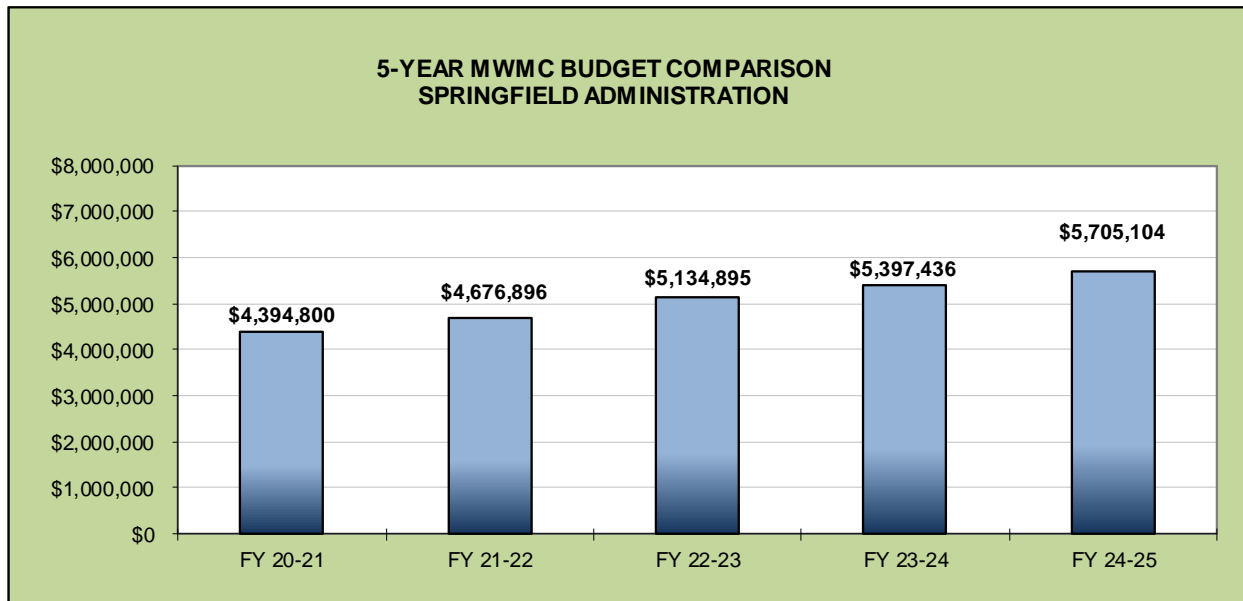
Internal & Indirect Charges Combined - \$665,908, a decrease of \$18,052 or 7.4%

The \$18,052 decrease is based on changes in overhead costs as programmed in the FY 24-25 budget, when compared FY 23-24. Internal charges are determined by the City of Springfield, and indirect costs are based on a methodology approved by the federal government, which is outlined in the MWMC Intergovernmental Agreement.

EXHIBIT 8

**SPRINGFIELD ADMINISTRATION PROGRAM
PROPOSED FY 24-25
BUDGET SUMMARY**

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE *	
					INCR/(DECR)	
Personnel Services	\$2,278,315	\$2,542,751	\$2,542,751	\$2,705,811	\$163,060	6.4%
Materials & Services	2,309,230	2,773,197	3,017,354	2,999,293	226,096	8.2%
Capital Outlay	0	0	85,000	0	0	0.0%
Budget Summary	\$4,587,545	\$5,315,948	\$5,645,105	\$5,705,104	\$389,157	7.3%



Note: * Change column compares the adopted FY 24-25 Budget to the adopted FY 23-24 Budget.

EXHIBIT 9

SPRINGFIELD ADMINISTRATION
LINE ITEM BUDGET SUMMARY

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE INCR/(DECR)	
<u>PERSONNEL SERVICES</u>						
Regular Salaries	\$1,463,144	\$1,639,623	\$1,639,623	\$1,763,228	\$123,605	7.5%
Overtime	0	5,891	5,891	6,026	135	2.3%
Employee Benefits	509,985	533,885	533,885	583,101	49,216	9.2%
Health Insurance	305,186	363,352	363,352	353,456	(9,896)	-2.7%
Total Personnel Services	\$2,278,315	\$2,542,751	\$2,542,751	\$2,705,811	\$163,060	6.4%
FTE	16.56	17.81	17.81	18.61	0.80	4.5%
<u>MATERIALS & SERVICES</u>						
Billing & Collection Expense	\$821,832	\$900,000	\$900,000	\$927,000	\$27,000	3.0%
Property & Liability Insurance	418,993	450,000	450,000	540,000	90,000	20.0%
Contractual Services	52,010	206,373	206,373	281,373	75,000	36.3%
Attorney Fees and Legal Expense	48,959	184,522	184,522	184,522	0	0.0%
WPCF/NPDES Permits	184,711	185,000	185,000	190,550	5,550	3.0%
Materials & Program Expense	95,664	96,890	341,047	142,725	45,835	47.3%
Computer Software & Licenses	11,413	16,382	16,382	16,532	150	0.9%
Employee Development	6,438	24,616	24,616	25,193	577	2.3%
Travel & Meeting Expense	14,034	25,454	25,454	25,490	36	0.1%
Internal Charges	279,456	281,292	281,292	254,045	(27,247)	-9.7%
Indirect Costs	375,720	402,668	402,668	411,863	9,195	2.3%
Total Materials & Services	\$2,309,230	\$2,773,197	\$3,017,354	\$2,999,293	\$226,096	8.2%
<u>CAPITAL OUTLAY</u>						
Total Capital Outlay	\$0	\$0	\$85,000	\$0	\$0	0.0%
TOTAL	\$4,587,545	\$5,315,948	\$5,645,105	\$5,705,104	\$389,156	7.3%

**CITY OF EUGENE
REGIONAL WASTEWATER PROGRAM RESPONSIBILITIES**

The Wastewater Division for the City of Eugene manages all regional wastewater pollution control facilities serving the areas inside the Eugene and Springfield Urban Growth Boundaries under the Intergovernmental Agreement for the Metropolitan Wastewater Management Commission (MWMC). These regional facilities include the Eugene/Springfield Regional Water Pollution Control Facility (WPCF), the Biosolids Management Facility, the Beneficial Reuse Site, the Biocycle Farm site, and regional wastewater pumping stations and transmission sewers.

- Program Responsibilities**
- Facility Operations
 - Facility Maintenance
 - Biosolids Management
 - Environmental Services
 - Management Information Services
 - Administration and Management

In support of the water pollution control program, the division provides technical services for wastewater treatment, management of equipment replacement and infrastructure rehabilitation, biosolids land application, regional laboratory services, resource recovery operations, and an industrial source control and pretreatment program in collaboration with environmental services staff at City of Springfield.

REGIONAL WASTEWATER TREATMENT - FACILITY OPERATIONS

The Wastewater Division operates the WPCF to treat residential, commercial, and industrial wastes to achieve an effluent quality that protects the beneficial uses of the Willamette River. The Operations section optimizes wastewater treatment processes to ensure effluent quality requirements are met in an efficient and cost effective manner. In addition, the Operations section provides continuous monitoring of the alarm functions for all plant processes, regional and local pump stations, the Biosolids Management Facility (BMF), and the Beneficial Reuse Site (BRS).

REGIONAL WASTEWATER TREATMENT - FACILITY MAINTENANCE

The mechanical, electrical, and facilities maintenance sections of the Wastewater Division are responsible for preservation of the multi-million-dollar investment in the equipment and infrastructure of the WPCF, regional pump stations, pressure sewers, as well as the BMF, BRS, and Biocycle Farm. These sections provide a preventative maintenance program to maximize equipment life and reliability; a corrective maintenance program to repair unanticipated failures; and a facility maintenance program to maintain the buildings, treatment structures, and grounds.

BIOSOLIDS AND RECYCLED WATER MANAGEMENT

The Residuals Management section of the Wastewater Division operates the BMF and Biocycle Farm to process and land apply biological solids (biosolids) produced as a result of the activated sludge treatment of wastewater. After further processing the biosolids from the WPCF, the dried material is applied to approved agricultural land. Biosolids are also applied on poplar trees at the Biocycle Farm as a beneficial nutrient and soil conditioner. In addition, this section utilizes recycled water for the processing of biosolids and for irrigation. This section also operates the BRS, which formerly served to treat wastewater from food processing operations.

ENVIRONMENTAL SERVICES

Environmental Services is comprised of Industrial Source Control (Pretreatment), Analytical Services, and Sampling Team.

Industrial Source Control (ISC) - The pretreatment program is a regional activity implemented jointly by the cities of Eugene and Springfield. The ISC group of the Wastewater Division is charged with administering the pretreatment program for the regulation and oversight of commercial and industrial wastewaters discharged to the wastewater collection system by fixed-site industries in Eugene and by mobile waste haulers in the Eugene and Springfield areas. This group is also responsible for ensuring that these wastes do not damage the collection system, interfere with wastewater treatment processes, result in the pass-through of harmful pollutants to treated effluent or biosolids, or threaten worker health or safety.

This responsibility is fulfilled through the use of a permit and discharge authorization system for industrial and commercial users of the wastewater collection system. This permit system, common to both Eugene and Springfield, implements necessary prohibitions and limitations on waste characteristics and establishes inspection, monitoring, and reporting requirements for documenting waste quality and quantity controls. The staff is also responsible for locating new industrial and commercial discharges in Eugene and evaluating the impact of their discharges on the WPCF. The section also has responsibilities related to environmental spill response activities.

Analytical Services - The Analytical Services group provides analytical laboratory work in support of wastewater treatment, residuals management, industrial source control, stormwater monitoring, and special project activities of the Wastewater Division. The laboratory's services include sample handling and analyses of influent sewage, treated wastewater, biosolids, industrial wastes, stormwater, surface water, and groundwater. Information from the laboratory is used to evaluate the performance of the treatment process, make treatment process control decisions, document compliance with regulatory requirements, demonstrate environmental protection, and ensure worker health and safety.

Sampling Team - The Sampling Team is responsible for sampling and field monitoring activities related to regional wastewater program functions. These include the Eugene pretreatment program, wastewater treatment process control, effluent and ambient water quality, groundwater quality, facultative sludge lagoons, biosolids, application site soils, stormwater samples, and natural gas quality samples.

MANAGEMENT INFORMATION SERVICES (MIS)

The MIS section provides services for electronic data gathering, analysis, and reporting in compliance with regulatory requirements and management functions. This section also maintains the network communication linkages with the City of Eugene and supplies technical expertise and assistance in the selection, operation, and modification of computer systems (hardware and software) within the division.

ADMINISTRATIVE AND MANAGEMENT SERVICES

Administrative Services provides management, administrative, and office support to the Wastewater Division. This support includes the general planning, directing, and managing of the activities of the division; development and coordination of the budget; administration of personnel records; and processing of payroll, accounts payable, and accounts receivable. This section also provides tracking and monitoring of all assets for the regional wastewater treatment facilities and support for reception, customer service, and other administrative needs. The administrative services include oversight and coordination of the division's Environmental Management System (EMS), safety, and training programs, and an inventory/storeroom section that purchases and stocks parts and supplies and assists with professional services contracting. The administrative services section also collaborates and coordinates with partner agencies on the local and regional billing and rate activities.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 24-25, Eugene staff will support the following major regional initiatives in addition to ongoing operations and maintenance activities.

- Manage the Operations & Maintenance (O&M) responsibilities of the NPDES wastewater discharge permit for the treatment of wastewater and the Lane Regional Air Protection Agency (LRAPA) air emissions permit for the regional wastewater treatment plant.
- Manage the O&M responsibilities of the Renewable Natural Gas (RNG) facility to maximize production of renewable fuel and the associated renewable fuel standard credits.
- Provide technical input and O&M assessments related to proposed/newly adopted environmental regulations, renewable energy objectives, and operational resiliency. This includes impact evaluations of the regulatory actions upon operational responsibilities such as the federal sanitary sewer overflows (SSO), blending policy development, Willamette River TMDLs implementation, and any newly adopted state water quality standards.
- Complete scheduled major rehabilitation, equipment replacement, and other capital projects in an efficient and timely manner.
- Work cooperatively on CIP elements and effectively integrate capital project work with ongoing O&M activities with an emphasis on maintaining an effective CIP management and coordination program with Springfield staff.
- Manage the O&M aspects of the BMF and the Biocycle Farm, continuing biosolids land application practices and poplar tree management.

SIGNIFICANT CHANGES IN THE O&M BUDGET FOR FY 24-25

The FY 24-25 budget for Operations and Maintenance of the regional wastewater treatment facilities (i.e., personnel, materials and services, and capital outlay) totals \$19,611,600. The amount represents a grand-total increase of \$1,015,000 or 5.5% from the FY 23-24 operating budget.

Important to note that for FY 24-25, the largest line-item change to planned expenses is for Capital Outlay (new) operating items, which totals \$1,105,000 or a \$725,000 increase (90.8%) over the prior budget year. By excluding capital outlay from the planned operating expenses for FY 24-25, the increase for only Personnel and Materials & Services is \$290,000 or 1.6% over FY 23-24.

In the Materials & Services section of the Line Item Budget Summary for Eugene O&M, significant adjustments are shown for itemized expenses due to the inclusion of a new line item for Administrative Charges-EWEB. Historically, the administrative charges for EWEB had been included as a distribution across the M&S line-item expenses, such as Contractual Services, Materials and Program Expense, Computer Equipment and Supplies, etc. This adjustment shows the actual and budgeted expenses more clearly. For FY 24-25 and going forward, by including the line item for Administrative Charges-EWEB, there will be greater transparency upon reviewing all of the planned line-item expenses in the O&M budget and for comparison of budget-to-actual expenses in prior fiscal years.

Aside from the M&S adjustments due to the inclusion of a line item for Administrative Charges-EWEB, the significant changes in the O&M budget for FY 24-25 are described below in detail.

Personnel Services

Personnel Services totaling \$11,343,336 for FY 24-25 represents no change from the amount budgeted for FY 23-24. The City of Eugene prepares two-year budgets (i.e., two fiscal years as one biennium), whereas the MWMC prepares single fiscal-year budgets, so the Eugene O&M portion of the FY 24-25 MWMC budget represents the second half of Eugene's 2023-2025 fiscal biennium.

The personnel expenses in the City of Eugene budget were adopted for two fiscal years, including expenses for the addition of 4.5 Full-Time Equivalent (FTE) positions over the course of two years. The Eugene O&M portion of the FY 23-24 MWMC budget included the first year (one half) of the personnel expenses and inclusion of 2.32 FTE, and the FY 24-25 budget includes the second half of the personnel expenses and inclusion of 2.18 FTE. Therefore, the 8.4% increase for personnel expenses documented in the FY 23-24 MWMC budget for Eugene O&M represented the increase for two fiscal years with the addition of 4.5 FTE.

The change in Full-Time Equivalent (FTE) positions increased from 79.36 to 81.68 FTE in the FY 23-24 budget year and will increase again from 81.68 to 83.86 FTE in the FY 24-25 budget year. Adjustments to Eugene O&M staffing occurred in FY 23-24 and are planned for FY 24-25, which are summarized and described as follows:

The 2.32 FTE positions added in the FY 23-24 budget year for Eugene O&M included:

1.0 FTE – Systems Electrician 1

Addition of one electrician was in response to the additional workload caused by capital improvements at MWMC facilities and increased maintenance needs for aging infrastructure.

1.0 FTE – WW Operator 1

Adding one operator was needed due to the added workload from the Renewable Natural Gas (RNG) facility and the increased staff time needed for process control and facility optimization resulting from the capital improvements and process changes.

0.32 FTE – Laboratory Specialist

The laboratory Specialist position was staffed at 0.5 FTE and needed to be increased to 0.82 FTE due to added workload resulting from the new NPDES permit requirements.

The 2.18 FTE positions planned for FY 24-25 budget year will include:

0.85 FTE – Emergency Preparedness and Safety Manager (MA, Sr)

This position was filled by existing staff in 2023 as a term-limited career development opportunity, and recruitment for the full-time regular position was postponed until 2024. Senior Management Analyst position is needed to fully implement the safety programs at MWMC facilities, including services related to health and safety in an industrial setting, emergency preparedness, and disaster response and recovery.

0.50 FTE – Application Systems Analyst 2

Addition of an Application Systems Analyst position is due to greater need for more support specific to software and applications, database maintenance and debugging, cybersecurity, and systems development. New utility billing software is also currently in development and used by Eugene Public Works to load user accounts and billing data into the EWEB billing system, which includes MWMC/regional wastewater user-fee charges. ASAs from the Wastewater Division are collaborating on portions of the software development and will then provide system support once the new software goes live in 2025.

0.65 FTE – Regulatory and Data Analyst (MA, Sr.)

Professional services are contracted throughout the year to provide NPDES related reporting, LRAPA reporting, RNG reporting, stormwater monitoring and reporting on MWMC facilities, and the annual groundwater monitoring report for the BMF. Additional staffing of 0.65 FTE for Senior Management Analyst (Regulatory and Data Analyst) will replace the need for contracted services to provide the required reporting for compliance with local, state, and federal requirements.

0.18 FTE – Heavy Equipment and CDL Training Instructor

Eugene Public Works has distributed the personnel expense for 1.0 FTE across the department for a Heavy Equipment and Commercial Driver License (CDL) Trainer position. The distributed cost share is 0.18 FTE, as much of the heavy equipment is used at MWMC facilities (i.e., dump trucks, semi tractor-trailers, cranes, etc.).

Materials and Services

The Materials and Services budget totaling \$7,163,264 represents an FY 24-25 increase of \$290,000 or 4.2%. Aside from the adjustments due to inclusion of the line item for Administrative Charges-EWEB, other significant changes for M&S are planned as follows:

Utilities – \$1,450,000, a net increase of \$28,000 or 2.0%

An increase in planned utility expenditure is needed, anticipating more uptime from the RNG facility and considering utility rate increases for large general service customers in FY 24-25.

Fleet Operating Charges – \$593,000, a net increase of \$38,895 or 7.0%

The internal rates and charges from Public Works Fleet Services are budgeted to increase due to economic factors for fuel, automotive electronics, parts and equipment.

Chemicals – \$885,000, a net increase of \$84,500 or 10.6%

The costs for hypochlorite, sodium bisulfite, and polymer (both dry and liquid) have increased due to economic factors. Unit prices are established through regional competitive price agreements, and resupply orders are placed depending on the timing of treatment process and O&M activity. Planned expenditure for the H2S filter media specific to the Renewable Natural Gas (RNG) facility is also budgeted within the chemicals line item.

Parts & Components – \$635,000, a net increase of \$217,000 or 51.9%

Capital improvements have increased the type and quantity of parts and components needed for O&M in addition to the increase in unit costs for parts and components due to economic factors.

Indirect Charges – \$1,225,000, a net decrease of \$75,000 or -5.8%

This line item has been budgeted high for several years and will be decreased for FY 24-25 to better align budget to actual expenses.

Capital Outlay - Budget

The FY 24-25 Capital Program budget includes \$1,105,000 for the Capital Outlay items listed below:

Capital Outlay	
Project Description	FY 24-25 Proposed Budget
Fire Alarm System Upgrade, Design Engineering, Plant and BMF	\$250,000
Seismic Upgrades – Phase 1	200,000
Facilities O&M Manuals/Training Software	200,000
Hot Water Loop Optimization, Plant	200,000
Ops-Admin Furniture, Computers and Media Equipment, Phase 1	120,000
RNG Instrumentation Upgrade	85,000
pH and Conductivity Probes, Regional Pump Stations	50,000
Total	\$1,105,000

Fire Alarm System Upgrade – Replacement of in-house assembled alarm systems in the outlying buildings at the treatment plant with an industry-standard package system.

Seismic Upgrades, Phase 1 – Engineering design for the initial seismic improvements to buildings identified in the Resiliency Planning Project (P80096).

Facilities O&M Manuals/Training Software – O&M software integration would enable more comprehensive training for new operators and provide on-demand information to operate and maintain the facility.

Hot Water Loop Optimization – Optimization of the digester heating loop at the plant to improve efficiency and evaluate compliance with DEQ redundancy requirements.

Ops-Admin Furniture, Computers and Media Equipment – Furnishings and media equipment for the larger building space and additional conference rooms once the Ops-Admin Building Project (P80104) is completed.

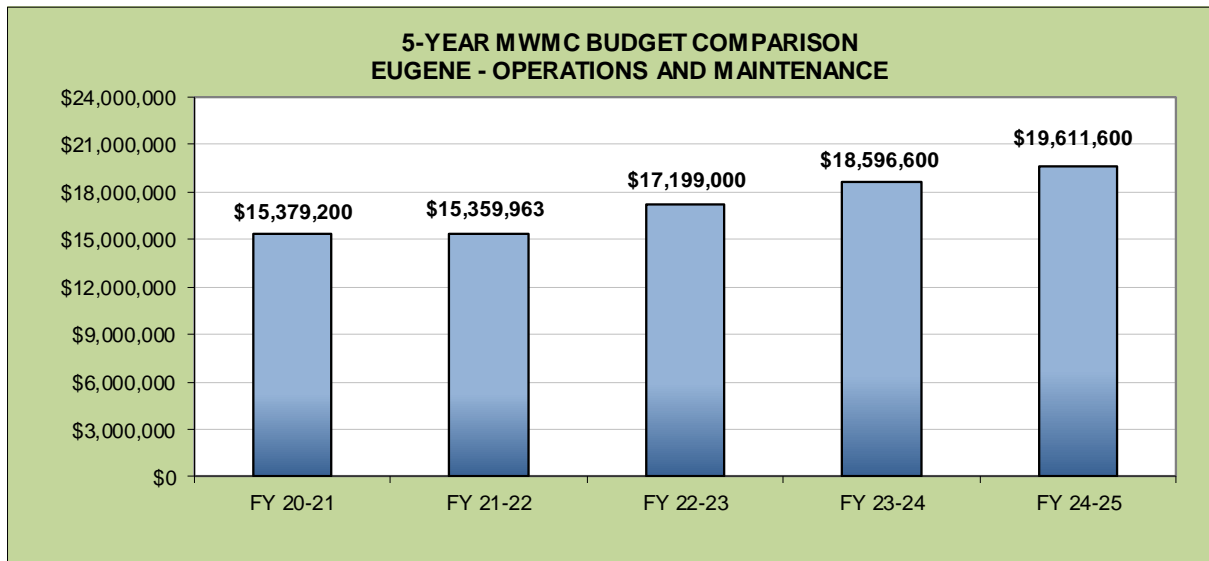
RNG Instrumentation Upgrade – Instrumentation is required to comply with new EPA Renewable Fuel Standard Set Rule.

pH and Conductivity Probes – Additional instrumentation to expand collection system monitoring.

EXHIBIT 10

EUGENE - OPERATIONS AND MAINTENANCE PROGRAM
 PROPOSED FY 24-25
 BUDGET SUMMARY

	ACTUALS FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE * INCR/(DECR)	
Personnel Services	\$10,058,646	\$11,343,336	\$11,343,336	\$11,343,336	\$0	0.0%
Materials & Services	6,921,210	6,873,264	6,873,264	7,163,264	290,000	4.2%
Capital Outlay	96,930	380,000	380,000	1,105,000	725,000	N/A
Budget Summary	\$17,076,786	\$18,596,600	\$18,596,600	\$19,611,600	\$1,015,000	5.5%



NOTE: Does not include Major Rehabilitation or Equipment Replacement

EXHIBIT 11

EUGENE - OPERATIONS & MAINTENANCE
LINE ITEM BUDGET SUMMARY

	ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	AMENDED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25	CHANGE INCR/(DECR)	
<u>PERSONNEL SERVICES</u>						
Regular Salaries	\$5,956,034	\$6,457,996	\$6,457,996	\$6,437,646	(\$20,350)	-0.3%
Overtime	78,277	57,650	57,650	78,000	20,350	35.3%
Employee Benefits	2,553,016	2,858,032	2,858,032	2,858,032	-	0.0%
Paid Family Med Leave Insurance	0	32,288	32,288	32,288	-	0.0%
Workers' Comp/Unemploy Ins	122,808	130,292	130,292	130,292	-	0.0%
Health Insurance	\$1,348,511	\$1,807,078	\$1,807,078	\$1,807,078	-	0.0%
Total Personnel Services	\$10,058,646	\$11,343,336	\$11,343,336	\$11,343,336	\$0	0.0%
FTE	79.36	81.68	81.68	83.86	2.18	2.7%
<u>MATERIALS & SERVICES</u>						
Utilities	\$1,378,962	\$1,422,000	\$1,422,000	\$1,450,000	\$28,000	2.0%
Fleet Operating Charges	592,395	554,141	554,141	593,000	38,859	7.0%
Maintenance-Equip & Facilities	227,162	237,789	237,789	236,264	(1,525)	-0.6%
Contractual Services	408,521	747,400	443,102	410,000	(337,400)	-45.1%
Materials & Program Expense	532,079	752,231	551,977	532,000	(220,231)	-29.3%
Administrative Charges - EWEB	680,002	0	659,900	730,000	730,000	0.0%
Chemicals	882,785	800,500	800,500	885,000	84,500	10.6%
Parts & Components	635,351	418,000	418,000	635,000	217,000	51.9%
Risk Insurance - Employee Liability	61,869	71,203	71,203	63,000	(8,203)	-11.5%
Computer Equip, Supplies, Maint	402,556	570,000	414,652	404,000	(166,000)	-29.1%
Indirects	1,119,528	1,300,000	1,300,000	1,225,000	(75,000)	-5.8%
Total Materials & Services	\$6,921,210	\$6,873,264	\$6,873,264	\$7,163,264	\$290,000	4.2%
<u>CAPITAL OUTLAY</u>						
Capital Outlay - Other	\$96,930	\$380,000	\$380,000	\$1,105,000	\$725,000	90.8%
Total Capital Outlay	\$96,930	\$380,000	\$380,000	\$1,105,000	\$725,000	90.8%
TOTAL	\$17,076,786	\$18,596,600	\$18,596,600	\$19,611,600	\$1,015,000	5.5%

CAPITAL PROGRAM

REGIONAL WASTEWATER PROGRAM CAPITAL PROGRAMS

Overview

The Regional Wastewater Program (RWP) includes two components: the Capital Improvement Program (CIP) and the Asset Management Capital Program (AMCP). The FY 24-25 CIP Budget, the FY 24-25 AMCP Budget, and the associated 5-Year Capital Plan are based on the following: 2004 MWMC Facilities Plan (2004 FP), 2014 Partial Facilities Plan Update, Resiliency Planning Study (Disaster Mitigation & Recovery Plan – March 2020), and recent 2023 infrastructure evaluation. The 2004 FP was approved by the MWMC, the governing bodies of the City of Eugene, the City of Springfield, Lane County, and the Oregon Department of Environmental Quality (DEQ). The 2004 FP and its 20-year capital project list was the result of a comprehensive evaluation of the regional wastewater treatment facilities serving the Eugene-Springfield metropolitan area. The DEQ renewed the MWMC NPDES permit #102486 that became effective on November 1, 2022.

The 2004 FP built on previous targeted studies, including the 1997 Master Plan, 1997 Biosolids Management Plan, 2001 Wet Weather Flow Management Plan (WWFMP), and the 2003 Management Plan for a dedicated biosolids land application site. The 2004 FP was intended to meet changing regulatory and wet weather flow requirements and to serve the community’s wastewater capacity and treatment needs through 2025. Accordingly, the 2004 FP established the CIP project list to provide necessary facility enhancements and expansions over the planning period. The CIP is administered by the City of Springfield for the MWMC. The AMCP implements the projects and activities necessary to maintain functionality, lifespan, and effectiveness of the MWMC facility assets on an ongoing basis. The AMCP is administered by the City of Eugene for the MWMC and consists of three sub-categories:

- Equipment Replacement Program
- Major Rehabilitation Program
- Major Capital Outlay

The MWMC has established these capital programs to achieve the following RWP objectives:

- Compliance with applicable local, state, and federal laws and regulations
- Protection of the health and safety of people and property from exposure to hazardous conditions such as untreated or inadequately treated wastewater
- Provision of adequate capacity to facilitate community growth in the Eugene-Springfield metropolitan area consistent with adopted land use plans
- Construction, operation, and management of MWMC facilities in a manner that is as cost-effective, efficient, and affordable to the community in the short and long term
- Mitigation of potential negative impacts of the MWMC facilities on adjacent uses and surrounding neighborhoods (ensuring that the MWMC facilities are “good neighbors” as judged by the community)

Capital Program Funding and Financial Planning Methods and Policies

This annual budget document presents the FY 24-25 CIP Budget, the FY 24-25 AMCP Budget, and 5-Year Capital Plan which includes the CIP and AMCP Capital Plan. The MWMC CIP financial planning and funding methods are in accordance with the financial management policies put forth in the MWMC 2019 Financial Plan.

Each of the two RWP capital programs relies on funding mechanisms to achieve the objectives described above. The CIP is funded primarily through Capital Reserves, which may include proceeds from revenue bond sales, financing through the State of Oregon DEQ Clean Water State Revolving Fund loan program, System Development Charges, and transfers from the Operating Fund to Capital Reserves.

The RWP's operating fund is maintained to pay for operations, administration, debt service, equipment replacement contributions and capital contributions associated with the RWP. The operating fund derives most of its revenue from regional wastewater user fees that are collected by the City of Eugene and City of Springfield from their respective customers. In accordance with the MWMC Financial Plan, funds remaining in excess of budgeted operational expenditures can be transferred from the Operating Fund to the Capital Reserve fund. The Capital Reserve accumulates revenue to fund capital projects, including major rehabilitation, to reduce the amount of borrowing necessary to finance capital projects. In addition, the CIP is funded with System Development Charges for the projects that qualify.

The AMCP consists of three programs managed by the City of Eugene and funded through regional wastewater user fees. The *Equipment Replacement Program*, which funds replacement of equipment valued at or over \$10,000 with a life expectancy greater than one year; the *Major Rehabilitation Program*, which funds rehabilitation of the MWMC infrastructure such as roof replacements, structure coatings, etc.; and the *Major Capital Outlay Program* for the initial purchase of major equipment that will be placed on the equipment replacement list, or a one-time large capital expense. Some projects are created with a CIP project sheet due to the nature and complexity of the project. The MWMC assets are tracked throughout their lifecycle using asset management tracking software. Based on this information, the three AMCP program annual budgets are established and projected for the 5-Year Capital Plan.

For planning purposes, MWMC considers market changes that drive capital project expenditures. Specifically, the MWMC capital plan reflects projected price changes over time that affect cost of materials, supply chain impacts, and services. Accordingly, the 2004 FP projections were based on the 20-city average *Engineering News Record Construction Cost Index* (ENRCCI). In addition, City of Springfield staff and MWMC design consultants monitor construction trends in Oregon and supply chain issues.

Regional Wastewater Capital Program Status and Budget

CIP Project Status and Budget

The FY 24-25 CIP Budget is comprised of the individual budgets for each of the active (carryover) or starting (new) projects in the first year of the 5-Year Capital Plan. The total of these FY 24-25 project budgets is \$69,120,000. Each capital project represented in the FY 24-25 Budget is described in detail in a CIP project sheet that can be found at the end of this document. Each project sheet provides a description of the project, the project's purpose/driver (the reason for the project), the funding schedule for the project, and the project's expected final cost and cash flow information. For those projects that are in progress, a short status report is included on the project sheet. In 2019, the MWMC Resiliency Planning consultant study focused on seismic (Cascadia magnitude 9.0 earthquake) and major flooding event(s) and recommended some infrastructure multi-year improvements for consideration during the CIP Budgeting process.

Completed Capital Projects

The following capital projects were completed in FY 23-24:

- Poplar Harvest Management Services - P80083

Carryover Capital Projects

All or a portion of remaining funding for active capital projects are carried forward to the MWMC FY 24-25 budget. The on-going carryover projects are:

- Administration Building Improvements - P80104
- Electrical Switchgear & Transformer Replacement - P80115
- Water Quality Trading Program - P80112
- Class A Disinfection Facilities - P80098
- Aeration Basin Upgrades (2023-2026) - P80113
- Glenwood Pump Station Upgrade - P80064
- Comprehensive Facility Plan Update - P80101
- WPCF Stormwater Infrastructure - P80111
- Resiliency Follow-Up - P80109
- Recycled Water Demonstration Projects - P80099

Overall, the budgeting for these projects follows, and is consistent with, the estimated cost of the listed capital projects and new information gathered during the MWMC design development process.

New Projects for FY 24-25

- Waste Activated Sludge Thickening - P80078
- Repair Clarifiers & Final Treatment - P80118
- Facility Plan Engineering Services - P80110

FY 24-25 Capital Budget Summary (Exhibit 12)

Exhibit 12 displays the adjusted budget and end-of-year expenditure estimates for FY 23-24, the amount of funding projected to be carried over to FY 24-25 and additional funding for existing and/or new projects in FY 24-25.

EXHIBIT 12**Summary of FY 24-25 MWMC Construction Program Capital Budget**

	FY 23-24 ADJUSTED BUDGET	FY 23-24 ESTIMATED ACTUALS	FY 23-24 CARRYOVER TO FY 24-25	NEW FUNDING FOR FY 24-25	TOTAL FY 24-25 BUDGET
Project to be Completed in FY 23-24					
Poplar Harvest Management Services	258,891	258,800	0	0	0
Projects to be Carried Over to FY 24-25					
Administration Building Improvements	18,454,853	4,254,853	14,200,000	8,000,000	22,200,000
Electrical Switchgear & Transformer Replacement	19,882,462	3,282,462	16,600,000	0	16,600,000
Water Quality Trading Program	12,239,974	769,974	11,470,000	0	11,470,000
Class A Disinfection Facilities	6,825,572	225,572	6,600,000	1,500,000	8,100,000
Aeration System Upgrades (2023 to 2026)	4,195,765	1,595,765	2,600,000	600,000	3,200,000
Glenwood Pump Station Upgrade	1,898,846	198,846	1,700,000	0	1,700,000
Comprehensive Facilities Plan Update	3,215,206	1,765,206	1,450,000	0	1,450,000
WPCF Stormwater Infrastructure	400,000	80,000	320,000	200,000	520,000
Resiliency Follow-Up	1,289,367	230,000	300,000	0	300,000
Recycled Water Demonstration Projects	334,621	34,621	80,000	0	80,000
New Projects in FY 24-25					
Waste Activated Sludge Thickening	0	0	0	1,500,000	1,500,000
Repair Clarifiers & Final Treatment	0	0	0	1,500,000	1,500,000
Facility Plan Engineering Services	0	0	0	500,000	500,000
TOTAL Capital Projects	\$68,995,557	\$12,696,099	\$55,320,000	\$13,800,000	\$69,120,000

FY 24-25 Asset Management Capital Program and Budget

The AMCP consists of the following three programs:

- Equipment Replacement
- Major Rehabilitation
- Major Capital Outlay

The FY 24-25 budget of each program is described below.

Equipment Replacement Program - Budget

The FY 24-25 Capital Programs budget includes \$1,415,000 in Equipment Replacement purchases that are identified on the table below.

Equipment Replacement	
Project Description	FY 24-25 Proposed Budget
Gravity Belt Thickener (x2)	\$400,000
Bar Screen (x2), Pretreatment	300,000
Actuator, Gate (x11), Pretreatment	110,000
Grit Channel Drive Chain (x1), Pretreatment	100,000
Polymer Feeder, Dewatering Facility, BMF	90,000
Hypochlorite Tank #3 Rebuild, Final	80,000
Hypochlorite (SHC) Metering Pump, Final (x4)	80,000
Bisulfite (SBS) Metering Pump, Final (x3)	60,000
Gate, Slide (x6), Pretreatment	60,000
Gearbox, Helical Gear Reducer (x4), Pretreatment	60,000
Drive, Variable Frequency (x2), Digester	30,000
Truck, Micro, Facilities	25,000
Air Compressor, Pretreatment	20,000
Total	\$1,415,000

Gravity Belt Thickener (x2) – Scheduled major rebuild of both GBT units, including all wear parts.

Bar Screen (x2), Pretreatment – Major rebuild of main components due to increased corrective maintenance.

Actuator, Gate (x11), Pretreatment – Need to replace due to obsolete replacement parts.

Grit Channel Drive Chain (x1), Pretreatment – Scheduled major rebuild, and will be using plastic components to increase longevity in a corrosive environment.

Polymer Feeder, Dewatering Facility, BMF – Rebuild key components rather than a complete replacement.

Hypochlorite Tank #3 Rebuild – Rebuild the failed bottom and inner lining of the storage tank.

Hypochlorite (SHC) Metering Pump, Final (x4) – Connections between mechanical and electrical components need replacement to ensure permit compliance.

Bisulfite (SBS) Metering Pump, Final (x3) – Connections between mechanical and electrical components need replacement to ensure permit compliance.

Gate, Slide (x6), Pretreatment – Original 1980s gates are corroded, failing, not sealing properly, and need to be replaced.

Gearbox, Helical Gear Reducer (x4), Pretreatment – Original 1980s gearboxes for the slide gates are beyond repair and need to be replaced.

Drive, Variable Frequency (x2), Digester – These are older series models used for digested sludge pumps and parts are difficult to acquire.

Truck, Micro, Facilities – This truck has become unsafe and parts are no longer available for repairs.

Air Compressor, Pretreatment – As the backup source of compressed air to the west side of the plant, this compressor is not reliable and greater capacity is needed.

Major Rehabilitation Program - Budget

The FY 24-25 Capital Programs budget includes \$1,820,000 for Major Rehabilitation projects that are identified on the table below.

Major Rehabilitation	
Project Description	FY 24-25 Proposed Budget
Asphalt Rehabilitation, Plant and BMF	\$1,300,000
Dewatering Facility, Roof Replacement, BMF	175,000
Hypochlorite Delivery System Rebuild, Phase 2	110,000
Groundwater Monitoring Wells, Biocycle Farm and BRS	100,000
Roof Replacement, Control Building, BRS	75,000
Interior Remodeling, MWMC Project Trailer, Plant	30,000
Operations/Maintenance Building Improvements	30,000
Total	\$1,820,000

Asphalt Rehabilitation, Plant and BMF – Implementation of the condition assessment recommendations to repair the Air-Drying Beds (ADB) at the Biosolids Management Facility (BMF), as well as roadways and parking lots at the main plant, BMF, and regional pump stations.

Dewatering Facility, Roof Replacement – Condition assessment by staff and contractor have determined the need to reapply liquid waterproofing product.

Hypochlorite Delivery System Rebuild – Existing hypochlorite piping is damaged, creating operational and safety concerns. This will simplify piping manifolds, upsize piping to match pump manufacturer recommendations, and repair drain piping.

Groundwater Monitoring Wells – Evaluation and maintenance of the groundwater monitoring well networks at the Biocycle Farm and BRS to support groundwater protection programs.

Roof Replacement, Control Building, BRS – Condition assessment by staff and contractor is recommending installation of a new roofing assembly over the existing roof.

Interior Remodeling, MWMC Project Trailer – The office spaces and amenities in the project trailer need to be upgraded or replaced.

Operations/Maintenance Building Improvements – Allocation for small-scale facility improvements.

Major Capital Outlay

The FY 24-25 Capital Program budget includes \$900,000 for the Major Capital items listed below.

Major Capital	
Project Description	FY 24-25 Proposed Budget
Waste Gas Burner, RNG Facility	\$ 550,000
Comprehensive Security Upgrade, Design Engineering	350,000
Total	\$ 900,000

Waste Gas Burner, RNG Facility – Originally eliminated during value engineering, a flare dedicated to burning waste gas from the Renewable Natural Gas process will increase uptime of the facility.

Comprehensive Security Upgrade, Design Engineering – This project will focus on conducting a comprehensive security assessment of the main plant, Biosolids Management Facility, Poplar Farm, Beneficial Reuse Site, and regional pump stations, and the design for recommended improvements.

Asset Management Capital Budget Summary

The following table summarizes the FY 24-25 Asset Management Capital Program Budget by project type showing a total AMCP budget of \$4,135,000.

Asset Management Capital Project Budget	
Project Description	FY 24-25 Proposed Budget
Equipment Replacement	\$1,415,000
Major Rehabilitation	1,820,000
Major Capital	900,000
Total	\$4,135,000

FY 25-26 Asset Management Capital Program Status and Budget

The AMCP consists of the following programs:

- Equipment Replacement
- Major Rehabilitation
- Major Capital Outlay

The FY 25-26 budget and status of each program is described below.

Equipment Replacement Program – Budget Forecast

The FY 25-26 Capital Programs budget includes \$2,375,000 in Equipment Replacement purchases that are identified in the table below.

Equipment Replacement	
Project Description	FY 25-26 Planned Budget
Screw Pumps, Pretreatment (x4)	\$1,000,000
Motor Control Centers, Screw Pumps, Pretreatment (x4)	500,000
Tractor Loader, Integrated Tool Carrier, BMF	400,000
Hypochlorite Tank #1 Rebuild, Final	85,000
ICP System, High Metals, ESB Laboratory	75,000
Pickup Truck, 3/4 Ton, Longbox, Maintenance	70,000
Pickup Truck, 4WD, Facilities	65,000
Pickup Truck, Crew Cab, BMF	60,000
Passenger Vehicle, SUV, Maintenance	60,000
TOC Analyzer, Nutrients, ESB Laboratory	40,000
Acid Distillation System, ESB Labs	20,000
Total	\$2,375,000

Screw Pumps, Pretreatment – Following a condition assessment scheduled for 2024, this could entail rebuilding the screw flights and regrouting the screw trough.

Motor Control Centers, Pretreatment – The motor control centers that operate the screw pumps have degraded due to exposure to hydrogen sulfide gas. There may be a project to relocate them to a less corrosive environment.

Tractor Loader, Integrated Tool Carrier, BMF – The ITC is beyond repair and needs replacing.

Hypochlorite Tank Rebuild, Final – Replace the failing false bottom and inner lining of the tank.

ICP System, High Metals, Lab – The current system has reached end of service life. This system is used to perform regulatory, permit required water quality analysis.

Pickup Truck, ¾ Ton, Longbox, Maintenance – All vehicle replacements are following the recommendations from City of Eugene Fleet staff based on the cost of ownership which includes aspects like frequency and cost of repairs, availability of parts, age, mileage, and fuel economy.

Pickup Truck, 4WD, Facilities – See above.

Pickup Truck, Crew Cab, BMF – See above.

Passenger Vehicle, SUV, Maintenance – See above.

TOC Analyzer, Nutrients, Lab – The current system has reached end of service life. This system is used to perform permit required water quality analysis.

Acid Distillation System, Lab – This system is used to reduce contamination in trace metals analysis and new equipment will reduce the cost of purchasing commercially prepared acids to meet the permit-required detection limits.

Major Rehabilitation Program - Budget

The FY 25-26 Capital Programs budget includes \$1,120,000 for Major Rehabilitation projects that are identified in the table below.

Major Rehabilitation	
Project Description	FY 25-26 Planned Budget
Spot Repairs and Recoating, Clarifier Rake Arms, Secondary (x4)	\$600,000
Coating, Raw Sewage Pumps, Pretreatment (x4)	240,000
Coating, Grit Channels, Pretreatment (x2)	150,000
Coating, Interior Dome #1, Digesters	80,000
Operations/Maintenance Building Improvements	50,000
Total	\$1,120,000

Spot Repairs and Recoating, Secondary Rake Arms (x4) – Periodic spot repairs to the coatings are necessary to continue to protect the steel structure.

Coating, Raw Sewage Pumps – Following a condition assessment scheduled for 2024, this would reapply a protective industrial coating to the steel screws.

Coating, Grit Channels – Remove and reapply an industrial coating to protect the structural concrete from corrosive hydrogen sulfide gas.

Coating, Digester #1 Interior Dome – Following a condition assessment scheduled for 2024, the interior coating of the digester may need to be replaced. This budget request is to supplement the reappropriated (unspent) allocation from FY23 due to cost increases.

Operations/Maintenance Building Improvements – Allocation for small-scale facility improvements.

Major Capital - Budget

The FY 25-26 Capital Program budget includes \$1,000,000 for the Major Capital items listed below.

Major Capital	
Project Description	FY 25-26 Planned Budget
Comprehensive Security Upgrade, Regional Facilities	\$ 1,000,000
Total	\$ 1,000,000

Comprehensive Security Upgrade – Based on previous security assessment work, funding will be needed for the construction of selected security improvements to the main plant, Biosolids Management Facility, Poplar Farm, Beneficial Reuse Site, and regional pump stations.

Summary of FY 25-26 Asset Management Capital Program Budget

Asset Management Capital Project Budget	
Project Description	FY 25-26 Planned Budget
Equipment Replacement	\$2,375,000
Major Rehabilitation	1,120,000
Major Capital Outlay	1,000,000
Total	\$4,495,000

5-Year Capital Plan (Exhibit 13)

For each fiscal planning cycle, only the first year of budget authority is appropriated. The remaining four years of the CIP and AMCP Capital Plans are important and useful for fiscal and work planning purposes. However, it is important to note that the funds in the outer years of the Capital Plan are only planned and not appropriated. Also, the full amount of obligated multi-year project costs is often appropriated in the first year of the project, unless a smaller subset of the project, such as project design, can be identified and funded without budgeting the full estimated project cost. For these multi-year contracts, unspent funds from the first fiscal year will typically be carried over to the next fiscal year until the project is completed. Accordingly, the RWP Capital Plan presented herein is a subsequent extension of the plan presented in the adopted FY 23-24 Budget that has been carried forward by one year to FY 24-25. Changes to the 5-Year Plan typically occur from year to year as more information becomes available and evaluated.

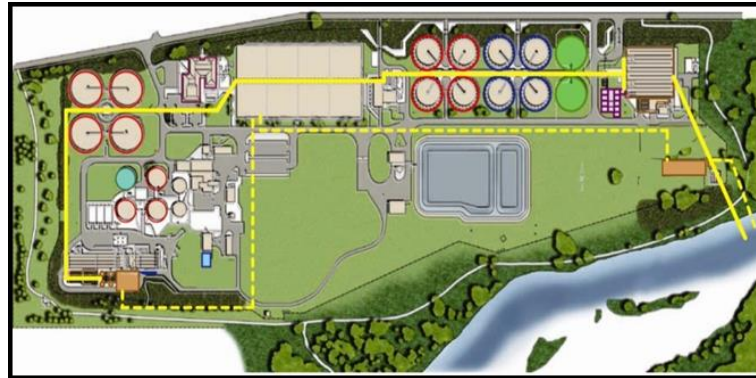
Exhibit 13 displays the MWMC 5-Year Capital Plan programs budget, which includes \$138,630,000 in planned capital projects and \$15,623,000 planned asset management capital projects for an overall 5-Year Capital Plan Budget of \$154,253,000.

EXHIBIT 13**Regional Wastewater 5-Year Capital Programs**

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	TOTAL
CAPITAL PROJECTS						
Non-Process Facilities and Facilities Planning						
Comprehensive Facilities Plan Update	1,450,000					1,450,000
Facility Plan Engineering Services	500,000	160,000	160,000	160,000	160,000	1,140,000
Partial Facility Plan Update				650,000		650,000
Conveyance Systems						
Glenwood Pump Station Upgrade	1,700,000					1,700,000
Plant Performance Improvements						
Administration Building Improvements	22,200,000					22,200,000
Electrical Switchgear & Transformer Replacement	16,600,000					16,600,000
Water Quality Trading Program	11,470,000					11,470,000
Class A Disinfection Facilities	8,100,000					8,100,000
Aeration System Upgrades (2023 to 2026)	3,200,000	24,400,000				27,600,000
Waste Activated Sludge Thickening	1,500,000	5,000,000				6,500,000
Repair Clarifiers & Final Treatment	1,500,000	3,500,000	5,000,000			10,000,000
WPCF Stormwater Infrastructure	520,000					520,000
Resiliency Follow-Up	300,000	800,000	800,000	2,000,000	3,000,000	6,900,000
Recycled Water Demonstration Projects	80,000	220,000				300,000
Owosso Bridge Seismic Upgrades		1,000,000	5,500,000			6,500,000
Tertiary Filtration - Phase 2				7,000,000	10,000,000	17,000,000
TOTAL CAPITAL PROJECTS	\$69,120,000	\$35,080,000	\$11,460,000	\$9,810,000	\$13,160,000	\$138,630,000
ASSET MANAGEMENT						
Equipment Replacement	1,415,000	2,375,000	1,037,000	1,499,000	2,547,000	8,873,000
Major Rehabilitation	1,820,000	1,120,000	990,000	505,000	415,000	4,850,000
Major Capital Outlay	900,000	1,000,000	-	-	-	1,900,000
TOTAL ASSET MANAGEMENT	\$4,135,000	\$4,495,000	\$2,027,000	\$2,004,000	\$2,962,000	\$15,623,000
TOTAL CAPITAL IMPROVEMENTS	\$73,255,000	\$39,575,000	\$13,487,000	\$11,814,000	\$16,122,000	\$154,253,000

CAPITAL PROJECT DETAIL

COMPREHENSIVE FACILITIES PLAN UPDATE (P80101)



Description: This will be the first MWMC Comprehensive Facilities Plan Update since the 2004 Facilities Plan. The Comprehensive Facilities Plan comprises three distinct volumes: MWMC Integrated Plan, Process Facilities Plan, and MWMC Opportunities Plan. Together, these volumes address the current environment and drivers for the MWMC, the regulatory and operational considerations for wastewater services, and the cross-community opportunities to advance the MWMC’s work. The update includes WPCF stormwater planning, capital/facilities planning, system development charge evaluation, technical services, and cost estimating for a 20-year planning horizon. The update will draw on the most recent plant data, permit compliance requirements, and available technology able to ensure the MWMC continues to meet future regulations, environmental standards, and community growth. The MWMC’s November 1, 2022 NPDES permit was the next permit update since May 1, 2002.

Status: As of December 2023, consultant task order work began in December 2022 for P80101 Facilities Planning and some evaluation of MWMC existing infrastructure occurred in 2023. The WPCF stormwater master plan information is dated December 2021.

Justification: Evaluate and plan for future MWMC conveyance and treatment upgrades and solutions to meet regulatory requirements, preserve public health, support community growth, protect the Willamette River, and provide financial responsible wastewater services.

Project Driver: Provide MWMC comprehensive facilities planning to develop the capital program and recommendations for the upcoming 20-years. Provide information for the MWMC 2019 Financial Plan policies related to Capital Planning and Financing. A current Facilities Plan is required for certain project financial approvals.

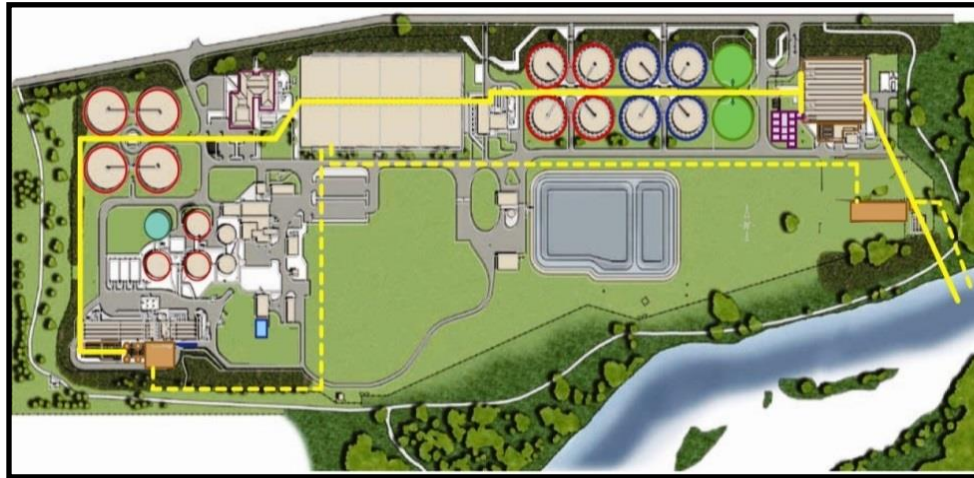
Project Trigger: The 2021 stormwater planning portion for the WPCF was triggered to address local building permit requirements for MWMC upcoming construction projects. The remaining project scope is focusing on MWMC planning for the next 20 years and beyond.

Estimated Project Cost: \$3,550,000

Estimated Cash Flow: FY 18-19 = \$35,701; FY 19-20 = \$15,174; FY 20-21 = \$70,567; FY 21-22 = \$2,136; FY 22-23 = \$211,217; FY 23-24 = \$1,765,205; FY 24-25 = \$1,450,000

Expenditure/Category:	Prior		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$334,795	\$1,765,205	\$1,450,000	\$0	\$0	\$0	\$0	\$3,550,000
Total Cost	\$334,795	\$1,765,205	\$1,450,000	\$0	\$0	\$0	\$0	\$3,550,000

FACILITY PLAN ENGINEERING SERVICES (P80110)



Description: Engineering/technical/vendor services for analysis, project definition, cost estimating, design feedback, follow up approvals, and general consultation regarding the MWMC Facilities Plan follow up support. The related project P80090 for consultant services closed out in FY 21-22.

Status: Pursuant to the issuance of the 2022 NPDES permit, MWMC representatives began updating the Facilities Plan under P80101 and will need follow up support via P80110 Facility Plan Engineering Services. As required by the NPDES permit #102486 (page 12 and 38) and before September 15, 2025, the MWMC must provide an inspection report to the DEQ of the treatment plant outfall system. The P80110 funding will support the inspection and evaluation of the MWMC outfall system.

Justification: Consultant services to provide ongoing technical and engineering services as needed after the MWMC Comprehensive Facilities Plan Update (P80101).

Project Driver: Ongoing engineering/technical/vendor services via P80110.

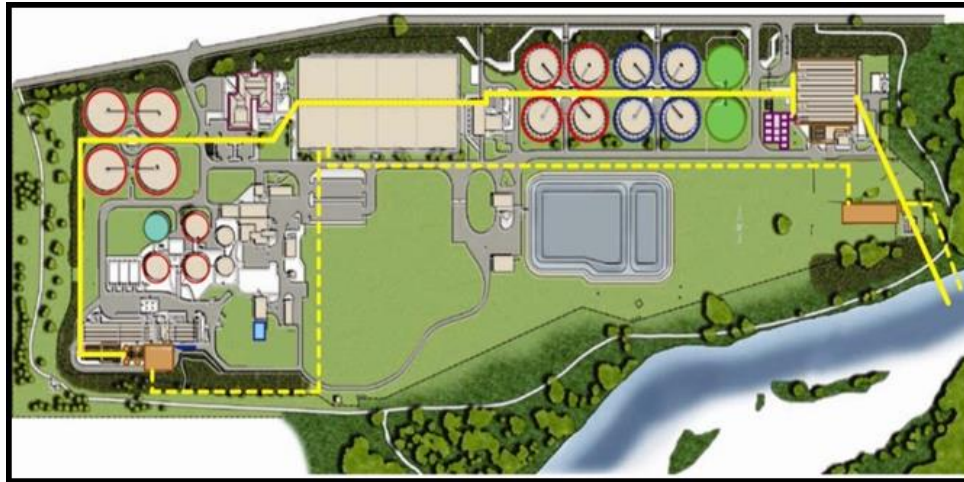
Project Trigger: Ongoing need.

Estimated Cost: \$1,140,000 (2024 to 2029)

Estimated Cash Flow: FY 24-25 = \$500,000; FY 25-26 = \$160,000; FY 26-27 = \$160,000; FY 27-28 = \$160,000; FY 28-29 = \$160,000

Expenditure/Category:	Prior	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$500,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,140,000
Total Cost	\$0	\$0	\$500,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,140,000

PARTIAL FACILITY PLAN UPDATE (P80103)



Description: This project provides a 5-year update to the Comprehensive Facilities Plan (P80101) that will help verify and re-evaluate the MWMC assumptions, projections, and project cost estimates. The Partial Facilities Plan Update (P80103) reviews the new and evolving regulatory drivers, identifies technology changes/opportunities, evaluates needed adjustments, and provides new recommendations. The next MWMC NPDES permit renewal date is September 30, 2027.

Status: Anticipate starting work in FY 27-28 or as needed.

Justification: The information and basis of the Comprehensive Facilities Plan requires regular updating to ensure knowledge, data, regulations, and performance issues behind Facilities Plan recommendations are current and recommended projects are adapted and adopted based on the newest available information.

Project Driver: Ongoing goal to keep MWMC planning up to date.

Project Trigger: Scheduled update. The next MWMC NPDES permit renewal date is September 30, 2027.

Estimated Project Cost: \$650,000 (continue to evaluate before 2027)

Estimated Cash Flow: FY 27-28 = \$320,000; FY 28-29 = \$330,000

<u>Expenditure/Category:</u>	<u>Prior Years</u>	<u>2023-24 Est. Act.</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total</u>
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$650,000	\$0	\$650,000
Total Cost	\$0	\$0	\$0	\$0	\$0	\$650,000	\$0	\$650,000

GLENWOOD PUMP STATION UPGRADE (P80064)



Description: Expand Glenwood pump station capacity to accommodate growth and meet Oregon Department of Environmental Quality (DEQ) wastewater pump station design requirements. The pump station was designed with stalls for additional pumps. Two pumps were installed in 1995 with space for two additional pumps to be added when wastewater flow to the pump station increases with development of the Glenwood and Laurel Hill basins. In 2019, the P80096 Resiliency Planning study recommended onsite geotechnical evaluation and additional improvements.

Status: As of December 2023, the Commission approved moving forward with consultant services for design phase work in 2024. One existing pump can provide peak output around 3,500 GPM (5.04 MGD). The Eugene/Springfield subbasin future peak output needed is estimated to be around 7.5 MGD for Glenwood pump station with the largest pump out of service.

Justification: Additional pumping capacity will be required at this MWMC pump station to handle increasing flows in the Glenwood area (Springfield) and the Laurel Hill area (Eugene).

Project Driver: Oregon DEQ wastewater pump station redundancy requirements and 2019 Resiliency study recommendations.

Project Trigger: Information from 2023 onsite testing of existing pump/pipe system identified the need to upgrade the Glenwood pump station.

Estimated Project Cost: \$2,050,000 (continue to evaluate project cost estimates in 2024 and 2025)

Estimated Cash Flow: FY 20-21 = \$1,426; FY 21-22 = \$43,259; FY 22-23 = \$106,469; FY 23-24 = \$198,846; FY 24-25 = \$1,700,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$151,154	\$198,846	\$1,700,000	\$0	\$0	\$0	\$0	\$2,050,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$151,154	\$198,846	\$1,700,000	\$0	\$0	\$0	\$0	\$2,050,000

ADMINISTRATION BUILDING IMPROVEMENTS (P80104)



Description: This project will address the Administration/Operations Building workspace needs at the Water Pollution Control Facility (WPCF). It is a follow up to the 2018-2019 construction of the P80085 new laboratory building and expansion of the existing maintenance building. In 2019, the P80096 Resiliency Planning study recommended: a) constructing a new building for immediate occupancy/use after a major natural disaster, or b) upgrade the existing building for immediate occupancy post-earthquake (magnitude 9.0 event). Alternatives were studied to meet workspace needs and a decision to construct a new building in the existing building’s footprint was selected by the MWMC. A new Administration/Operations Building is in the final stages of design with temporary operations space planned in the existing Maintenance Building for operations during construction.

Status: As of December 2023, the project team and design consultant are at 90% design development, have submitted for permitting, and anticipate construction bidding in the first half of 2024. The MWMC was updated on December 8, 2023, and provided with construction cost estimates.

Justification: The original design and construction of the WPCF Administration/Operations Building was completed February 1982 under older building codes. Since that time, use of the building and associated construction codes has changed substantially necessitating the need to re-evaluate the MWMC building options to address level of service goals after a natural disaster (earthquake or flooding).

Project Driver: The need to update the existing Administration/Operations building is driven by the necessity to provide a safe and efficient work environment for the WPCF staff. Many of the planned changes stem from a changing wastewater/environmental business because of changing regulations since the WPCF was originally constructed in 1982. Also, address the P80096 recommended level of service goals to operate after a Cascadia Zone earthquake.

Project Trigger: Expansion and changes needed for functionality, safety, and natural disaster resiliency.

Estimated Project Cost: \$28,000,000 (continue to evaluate project cost estimates prior to bidding)

Estimated Cash Flow: FY 20-21 = \$17,937; FY 21-22 = \$209,786; FY 22-23 = \$1,317,424.
 FY 23-24 = \$4,254,853; FY 24-25 = \$19,000,000; FY 25-26 = \$3,200,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$1,545,147	\$4,254,853	\$22,200,000	\$0	\$0	\$0	\$0	\$28,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$1,545,147	\$4,254,853	\$22,200,000	\$0	\$0	\$0	\$0	\$28,000,000

ELECTRICAL SWITCHGEAR & TRANSFORMER REPLACEMENT (P80115)



Description: The main electrical switchgear at the Water Pollution Control Facility (WPCF) and Willakenzie Pump Station (WPS) were installed in 1983 during construction of the regional facilities. The purpose of the equipment is to take utility power and provide it to various process areas with the use of switches. Within the switchgear are medium voltage breakers to safely isolate the facility from the electricity provider (EWEB), as well as protect the utility from electrical faults at the site. This project will replace and upgrade the existing switchgears and medium voltage transformers.

Status: As of December 2023, consultant is developing the 60% design and estimating project costs. On November 17, 2023, the MWMC approved continuing design consultant services to create a P80115 construction bid package. Bidding of the work is anticipated in late 2024.

Justification: The main electrical switchgear for the WPCF and the WPS have reached the end of their service life and need to be replaced. Eighteen (18) medium voltage (MV) transformers throughout both sites are in similar condition. Major delays in equipment delivery times have placed a sense of urgency on procuring this equipment. Streamlining project delivery, design and construction, the impact of outages to plant operations can be minimized if all equipment is replaced together through one project.

Project Driver: Main switchgear and MV transformers are of paramount importance to plant operations. Replacing switchgear is a major undertaking that involves large temporary power sources, specialized contractors, long equipment lead times, manufacturer field testing, and significant coordination to reduce disruption to plant operation.

Project Trigger: The September 2022 condition assessment, coupled with recent arcing events, has concluded the switchgear at the WPCF and WPS have reached the end of their useful life and need to be replaced, and it is anticipated that the MV transformers are not far behind.

Estimated Project Cost: \$20 million (additional cost estimating anticipated in 2024)

Estimated Cash Flow: FY 22-23 = \$117,538; FY 23-24 = \$3,282,462; FY 24-25 = \$8,500,000; FY 25-26 = \$4,100,000; FY 26-27 = \$4,000,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$117,538	\$3,282,462	\$16,600,000	\$0	\$0	\$0	\$0	\$20,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$117,538	\$3,282,462	\$16,600,000	\$0	\$0	\$0	\$0	\$20,000,000

WATER QUALITY TRADING PROGRAM (P80112)



Description: The MWMC Water Quality Trading Program secures regulatory credits for meeting thermal load reduction through watershed restoration. The program fulfills the objectives of the MWMC Water Quality Trading Plan under the MWMC NPDES permit as approved November 2022, which defines the MWMC eligible trading area in the upper Willamette basin. The program is implemented principally through the MWMC’s membership in the Pure Water Partners collaborative via the MWMC’s contractor-provided Credit Program Manager services and MWMC’s IGA with EWEB. Water quality trading credits comprise the MWMC’s primary strategy for thermal load limit compliance and may provide ancillary future water quality and/or carbon benefits.

Status: The MWMC with consultant help has developed a Water Quality Trading Plan for NPDES permit compliance and has fully evaluated the credit capacity, effectiveness, and scale of eligible lands in the upper Willamette basin. As of March 2019, the MWMC procured The Freshwater Trust (www.thefreshwatertrust.org) as the MWMC Credit Program Manager. As of November 2022, the MWMC has an active agreement with The Freshwater Trust to implement the permit-compliance water quality trading program scope of work to meet the 5-year credit timeline of the NPDES permit Compliance Schedule. As of December 2023, the MWMC has recorded 48.64 Mkal/day of credits out of a 5-year target of 200 Mkal/day.

Justification: The Water Quality Trading Program will help provide cost-effective strategies for most of the thermal load compliance dates as required under the MWMC NPDES permit renewed in November 2022.

Project Driver: Implementation of updated thermal load limits in the MWMC’s 2022 NPDES permit.

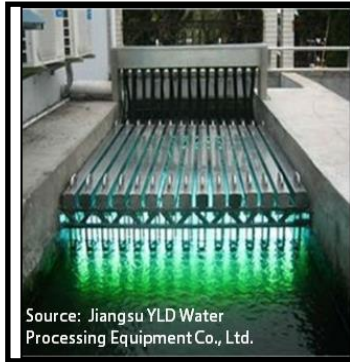
Project Trigger: The NPDES permit renewal includes a 15-year Compliance Schedule with a 5-year milestone of 200 Mkal/day of credits due by October 2027.

Estimated Project Cost: \$13 million (timing estimate from 2022 to 2033)

Estimated Cash Flow: FY 22-23 = \$760,026; FY 23-24 = \$769,974; FY 24-25 = \$1,200,000; FY 25-26 = \$3,000,000; FY 26-27 = \$3,000,000; FY 27-28 = \$1,150,000; FY 28-29 = \$10,000; FY 29-30 = \$10,000; FY 30-31 = \$1,000,000; FY 31-32 = \$1,000,000; FY 32-33 = \$1,100,000.

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$760,026	\$769,974	\$11,470,000	\$0	\$0	\$0	\$0	\$13,000,000
Total Cost	\$760,026	\$769,974	\$11,470,000	\$0	\$0	\$0	\$0	\$13,000,000

CLASS A DISINFECTION FACILITIES (P80098)



Description: Provides disinfection, storage, and distribution facilities needed to bring tertiary filtered effluent to Class A standards on a consistent and reliable basis for initial demonstration of recycled water uses on- and off-site of the MWMC treatment site. The P80098 project includes the design, bidding, construction, and permitting of Class A recycled water disinfection facilities.

Status: As of January 2024, the project team is evaluating the MWMC existing filtration system and has active grant applications for potential funding in Fall of 2024. The P80098 design package is at 100% completion to submit for construction permits and construction bidding phase.

Justification: Class A recycled water is necessary to expand recycled water to landscaping, street tree, and industrial uses. Demonstration of Class A quality and reliability is necessary for stakeholder acceptance and future adoption of expanded recycled water uses.

Project Driver: The Thermal Load Mitigation Alternatives Evaluation, Recycled Water Program Implementation Planning, Phase 2 Study (dated August 2014) recommended demonstration scale use of Class A recycled water to address stakeholder acceptability issues identified as barriers to full-scale recycled water uses. The May 2023 MWMC Thermal Load Mitigation Study submitted to DEQ for NPDES permit compliance requirements identifies the 1.3 million gallon per day (MGD) Class A recycled water facilities as an asset strategy towards meeting final effluent thermal load limits.

Project Trigger: Pilot recycled water demonstration sites with willing, ready-to-proceed partners have been identified, including City of Eugene (street tree watering) and industrial aggregate sites for equipment washing.

Estimated Project Cost: \$9.5 million (recycled water Class A infrastructure and upgrade one structure for 9.0 magnitude earthquake preparedness related to MWMC P80096 level of service goals)

Estimated Cash Flow: FY 18-19 = \$836; FY 19-20 = \$15,934; FY 20-21 = \$339,068; FY 21-22 = \$761,685; FY 22-23 = \$56,904; FY 23-24 = \$225,573; FY 24-25 = \$7,400,000; FY 25-26 = \$700,000

Expenditure/Category:	Prior	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est.	Act.						
Design/Construction	\$1,174,427	\$225,573	\$8,100,000	\$0	\$0	\$0	\$0	\$0	\$9,500,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$1,174,427	\$225,573	\$8,100,000	\$0	\$0	\$0	\$0	\$0	\$9,500,000

RECYCLED WATER DEMONSTRATION PROJECTS (P80099)



Description: This project provides for stakeholder engagement, community communication/outreach, and any additional design, construction, permitting, and implementation of recycled water point-of-use needs beyond the MWMC’s point-of-delivery of Class A recycled water product.

Status: As of 2023: Pilot Class A recycled water demonstration sites with ready-to-proceed partners have been identified, including City of Eugene street-tree watering and industrial aggregate site uses. Letters of intent from these partners were secured in 2020. Regulatory readiness was addressed with DEQ during the NPDES 2022 permit renewal in anticipation of project launch during the 2022-2027 permit cycle. A consultant-led outreach strategy was developed, including engaging a recycled water use advisory network in tandem with the Class A Disinfection Facilities (P80098) construction phase.

Justification: Recycled water use may be an important strategy for diverting effluent from the Willamette River to meet NPDES permit discharge limits for temperature and other water quality benefits. Development of Class A recycled water is an identified water resource strategy in EWEB’s *Water Management and Conservation Plan* (July 2018) and the *Eugene/Springfield Area Multi-Jurisdictional Natural Hazards Mitigation Plan* (January 2020). The MWMC project is a case example for DEQ’s advancement of Oregon recycled water regulatory approvals.

Project Driver: The Thermal Load Mitigation Alternatives Evaluation-Recycled Water Program Implementation Planning, Phase 2 Study (dated August 2014) identified demonstration scale use of Class A recycled water was needed to address stakeholder acceptability issues identified as barriers to full-scale recycled water uses. The project is identified as a permit compliance strategy with DEQ.

Project Trigger: The MWMC 2022 NPDES permit included new temperature limits and imposes a 15-year compliance schedule to fully meet new effluent limits. The permit requires identification of a long-term strategy to meet the compliance schedule.

Estimated Project Cost: \$410,000 (continue to monitor P80099 costing)

Estimated Cash Flow: FY 19-20 = \$27,899; FY 20-21 = \$16,859; FY 21-22 = \$11,121; FY 22-23 = \$19,501; FY 23-24 = \$34,620; FY 24-25 = \$75,000; FY 25-26 = \$85,000; FY 26-27 = \$140,000

Expenditure/Category:	Prior	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est.	Act.						
Design/Construction	\$75,380	\$34,620		\$80,000	\$220,000	\$0	\$0	\$0	\$410,000
Other	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$75,380	\$34,620		\$80,000	\$220,000	\$0	\$0	\$0	\$410,000

AERATION SYSTEM UPGRADES [2023-2026] (P80113)



Description: In 2020 and 2021, Brown and Caldwell evaluated the existing aeration systems and provided recommendations in January 2022 via project P80100. The P80113 project will implement the design and construction of additional upgrades/changes to the existing aeration systems by year 2027. Upgrades to the westerly existing aeration basins are anticipated after year 2031.

Status: As of January 2024, the consultant submitted the 60% design package for P80113 project team review. Construction cost estimates are anticipated in early 2024.

Justification: Update aging (1984) equipment/systems such as piping, electrical, communication technology, blowers, HVAC, and other components related to the aeration system which is part of the secondary treatment process.

Project Driver: Ongoing efforts to keep MWMC existing systems reliable and achieve required performance outcomes to address the National Pollution Discharge Elimination System (NPDES) permit #102486.

Project Trigger: Need to address aging aeration systems for reliability and performance upgrades.

Estimated Project Cost: \$30,000,000 (continue to evaluate cost estimates during the P80113 design development)

Estimated Cash Flow: FY 22-23 = \$804,235; FY 23-24 = \$1,595,765; FY 24-25 = \$3,200,000; FY 25-26 = \$4,100,000; FY 26-27 = \$9,000,000; FY 27-28 = \$9,000,000; FY 28-29 = \$2,300,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$804,235	\$1,595,765	\$3,200,000	\$24,400,000	\$0	\$0	\$0	\$30,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$804,235	\$1,595,765	\$3,200,000	\$24,400,000	\$0	\$0	\$0	\$30,000,000

WASTE ACTIVATED SLUDGE THICKENING (P80078)



- Description:** Third Gravity Belt Thickener (GBT) with associated at-grade building. Assumes additional basement floor space is not required. Treatment plant staff would like to reconsider the P80078 solution/technology moving forward.
- Status:** Continue to monitor the timing of this project and P80101 facility planning findings in 2024/2025.
- Justification:** Provide additional capacity for Waste Activated Sludge (WAS) thickening process.
- Project Driver:** Additional capacity to provide WAS thickening with one unit offline at upper limit flow projections.
- Project Trigger:** Exceeding solids and hydraulic loading rate design criteria.
- Estimated Project Cost:** \$6,500,000 (evaluate cost estimates during P80078 design development phase)
- Estimated Cash Flow:** FY 24-25 = \$1,300,000; FY 25-26 = \$3,000,000; FY 26-27 = \$2,200,000

Expenditure/Category:	Prior Years	2023-24		2024-25	2025-26	2026-27	2027-28	2028-29	Total
		Est.	Act.						
Design/Construction	\$0	\$0		\$1,500,000	\$5,000,000	\$0	\$0	\$0	\$6,500,000
Other	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0		\$1,500,000	\$5,000,000	\$0	\$0	\$0	\$6,500,000

REPAIR CLARIFIERS & FINAL TREATMENT (P80118)



Description: In 2023, condition assessment efforts found existing structures needing repair work related to primary clarifiers (1980) and final treatment (1983). This project will look for solutions to repair and/or replace existing concrete and other systems related to MWMC past construction contracts C2 (primary treatment) and C6 (final treatment).

Status: As of January 2024, staff is seeking P80118 budgeting to begin July 1, 2024 to start-up the project (scoping, consultant selection, pre-design/evaluation, design, etc.).

Justification: Need to continue fixing aging infrastructure based on existing conditions and risk.

Project Driver: Repair and/or replace existing infrastructure.

Project Trigger: Fix structural system issues before impacting the MWMC treatment plant process.

Estimated Project Cost: \$10,000,000 (evaluate cost estimates during design development)

Estimated Cash Flow: FY 24-25 = \$1,000,000; FY 25-26 = \$4,000,000; FY 26-27 = \$4,400,000; FY 27-28 = \$600,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$1,500,000	\$3,500,000	\$5,000,000	\$0	\$0	\$10,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$1,500,000	\$3,500,000	\$5,000,000	\$0	\$0	\$10,000,000

WPCF STORMWATER INFRASTRUCTURE (P80111)



Description: Retrofit and/or change existing stormwater infrastructure at the Water Pollution Control Facility (WPCF). Also, update the WPCF Conditional Use Permit (CUP) related to stormwater infrastructure planning for upcoming construction.

Status: As of December 2023, Jacobs staff provided a Stormwater Master Plan (SWMP) dated December 16, 2021 with consultant recommendations including the need to update the WPCF existing CUP related to stormwater systems. Staff continues to monitor the MWMC upcoming construction projects and facilities planning work via project P80101.

Justification: WPCF existing stormwater and drainage systems need to be retrofitted and/or changed for upcoming construction permit approvals.

Project Driver: Maintain compliance with local and state stormwater requirements at the WPCF.

Project Trigger: Each infrastructure hard surface change at the WPCF can trigger stormwater quality and quantity onsite controls related to project permit requirements.

Estimated Project Cost: \$600,000 (update WPCF CUP for stormwater, retrofit existing three bioswales to rain gardens, and add new rain gardens)

Estimated Cash Flow: FY 23-24 = \$80,000; FY 24-25 = \$450,000; FY 25-26 = \$70,000

Expenditure/Category:	<u>Prior</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total</u>
	<u>Years</u>	<u>Est. Act.</u>						
Design/Construction	\$0	\$80,000	\$520,000	\$0	\$0	\$0	\$0	\$600,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$80,000	\$520,000	\$0	\$0	\$0	\$0	\$600,000

RESILIENCY FOLLOW-UP (P80109)



Description: This project provides follow-up evaluation and some implementation of the P80096 Resiliency Study (Disaster Mitigation and Recovery Plan - dated March 2020). The 2019 study recommended seismic and flooding mitigation projects estimated at \$34.6 million to be coordinated with the MWMC ongoing infrastructure/facilities construction program. The main objective is to address “level of service” goals before a natural disaster such as a 9.0 magnitude earthquake or major flooding. Also, the MWMC should continue to communicate with the agencies that prepare for natural disasters that relate to the Eugene/Springfield community.

Status: As of January 2024, consultants completed geotechnical assessments near the Owosso Bridge, Willakenzie pump station, WPCF Headworks structures, and Glenwood pump station. Received consultant cost estimates for seismic retrofits to the Owosso Bridge.

Justification: The MWMC’s facilities and wastewater conveyance and treatment services are integral to protection of the community and public health following a major disaster such as the anticipated Cascadia Subduction Zone Earthquake and/or major flooding.

Project Driver: Cost effectively ensure reasonable recovery of MWMC’s core facilities and services following major disaster impacts after earthquake or flooding.

Project Trigger: Per Commission direction, consultant work began in July 2018. The MWMC plan with consultant recommendations is dated March 2020. Established consultant agreements in 2021 with four engineering consultants for on-call services through March 2026.

Estimated Project Cost: Mitigation recommendations estimate: \$34.6 million (2019 dollars)

Estimated Cash Flow: FY 20-21 = \$4,092; FY 21-22 = \$173,133; FY 22-23 = \$13,408; FY 23-24 = \$230,000; FY 24-25 = \$300,000; FY 25-26 = \$800,000; FY 26-27 = \$800,000; FY 27-28 = \$2,000,000; FY 28-29 = \$3,000,000; and continue the MWMC mitigation work estimated over \$34 million.

<u>Expenditure/Category:</u>	<u>Prior</u>	<u>2023-24</u>		<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total</u>
	<u>Years</u>	<u>Est.</u>	<u>Act.</u>						
Design/Construction	\$0	\$230,000	\$300,000	\$800,000	\$800,000	\$2,000,000	\$3,000,000	\$7,130,000	
Other	\$190,633	\$0	\$0	\$0	\$0	\$0	\$0	\$190,633	
Total Cost	\$190,633	\$230,000	\$300,000	\$800,000	\$800,000	\$2,000,000	\$3,000,000	\$7,321,000	

OWOSSO BRIDGE SEISMIC UPGRADES (P80116)



Description: This project was identified in the Disaster Mitigation and Recovery Plan (March 2020). The MWMC owns the Owosso Bridge (constructed in 1982) and has infrastructure attached to the bridge.

Status: Under the MWMC project P80109 work related to the Owosso Bridge, the MWMC received a geotechnical seismic analysis consultant report dated June 23, 2022. In August 2022, an engineering consultant provided updated cost estimates for Owosso Bridge seismic retrofits.

Justification: The MWMC’s facilities and wastewater conveyance/treatment services are integral to protection of the community and public health following a major disaster such as the anticipated Cascadia Subduction Zone Earthquake.

Project Driver: Cost effectively ensure reasonable recovery of MWMC’s core facilities and services following major disaster impacts after earthquake and/or river flooding.

Project Trigger: Ongoing effort to address level of service recommendations/improvements from the Disaster Mitigation and Recovery Plan dated March 2020 (older Project P80096).

Estimated Project Cost: \$6,500,000 (evaluate cost estimating during design development)

Estimated Cash Flow: FY 25-26 = \$800,000; FY 26-27 = \$2,700,000; FY 27-28 = \$2,800,000; FY 28-29 = \$200,000

<u>Expenditure/Category:</u>	<u>Prior</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total</u>
	<u>Years</u>	<u>Est. Act.</u>						
Design/Construction	\$0	\$0	\$0	\$1,000,000	\$5,500,000	\$0	\$0	\$6,500,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$1,000,000	\$5,500,000	\$0	\$0	\$6,500,000

TERTIARY FILTRATION - PHASE 2 (P80102)



Description: The phased work program anticipates installing infrastructure/support facilities for 30 MGD of filters for tertiary filtration of secondary treated effluent. Phase 2 is planned to install filter system technology sufficient for another 10 MGD of treatment that will increase the total filtration capacity to 20 MGD. The Phase 3 project will install the remaining filtration technology to meet the capacity needs identified in the 2004 MWMC Facilities Plan and evaluate any new planning information.

In January 2016, the project scope and cost (estimate \$530K in 2015) increased to include updating electrical switchgear and installing tertiary filter flushing headers/pipe vents.

Status: Tertiary Filtration (Phase 2) project is anticipated to start P80102 design development in FY 27-28. Continue to evaluate timing based on upcoming P80101 planning information.

Justification: The 2004 MWMC Facilities Plan proposes filters on a phased work program. Filtration provides high quality secondary effluent to help meet permit requirements and potential Class A recycled water product for public and/or private partnerships.

Project Driver: Performance reliability to meet the dry weather NPDES Permit total suspended solids limits, reuse development, and compliance with effluent limits during peak flow conditions.

Project Trigger: NPDES permit compliance for total suspended solids (TSS): Dry weather maximum month flow in excess of 49 MGD. Also, provide higher quality effluent so that reuse options can be developed. Continue to evaluate the project timing based on the MWMC upcoming P80101 Facilities Planning information.

Estimated Project Cost: \$17,000,000 (re-evaluate during the P80101 Comprehensive Facilities Plan Update)

Estimated Cash Flow: FY 27-28 = \$5,500,000; FY 28-29 = \$5,600,000; FY 29-30 = \$5,600,000; FY 30-31 = \$300,000

Expenditure/Category:	Prior	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
	Years	Est. Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$7,000,000	\$10,000,000	\$17,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$7,000,000	\$10,000,000	\$17,000,000

AGENDA ITEM SUMMARY

Meeting Date: 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Erin Fifield / DPW
Staff Phone No: 726-2302
Estimated Time: 5 Minutes
Council Goals: Encourage Economic Development and Revitalization through Community Partnerships

**SPRINGFIELD
CITY COUNCIL**

ITEM TITLE: FISCAL YEAR 2025 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ACTION PLAN

ACTION REQUESTED: Approve the Fiscal Year 2025 Community Development Block Grant Annual Action Plan, with proposed funding adjustments if the final allocation changes, and authorize the City Manager to execute all documents needed to give effect to the City's agreement with the U.S. Department of Housing and Urban Development for these funds.

ISSUE STATEMENT: Each spring, City Council must approve funding allocations for the use of Community Development Block Grant (CDBG) funds for the next fiscal year in a document called the Annual Action Plan. For Fiscal Year 2025, the City estimates \$555,345 in CDBG funds will be available. City Council discussed the draft Annual Action Plan during the April 22, 2024 Council work session, giving support for the Community Development Advisory Committee (CDAC) recommendation.

ATTACHMENTS: [1: Fiscal Year 2025 CDBG Annual Action Plan](#)

**DISCUSSION/
FINANCIAL
IMPACT:** For Fiscal Year 2025, the City estimates \$555,345 will be available in CDBG funds. The U.S. Department of Housing and Urban Development has not yet released the final allocation of CDBG funds for FY2025, but changes are expected to be minimal.

The Annual Action Plan reflects the direction from City Council at the April 22, 2024 work session. That work session followed a public involvement process whereby the Plan was made available for a 30-day public comment period, and two public hearings were held by the Springfield Community Development Advisory Committee (CDAC) on February 7 and April 3.

At the April 3 CDAC meeting, the CDAC deliberated and made a recommendation to City Council for funding allocation. Council discussed and supported this recommendation at their April 22 work session.

The attached Annual Action Plan reflects Council direction from April 22, allocating funds toward the following activities:

- Home Repair Program to rehab existing housing of very low-income homeowners;
- SHOP program for homeownership assistance to support low-income homebuyers;
- Funding to Lane County to support a human services delivery system; and
- Funding to support grant planning and administration.

Council further directed that if the final allocation of CDBG funds changes, the City will adjust its allocation by first maximizing the funding toward Lane County and grant planning, and then make any remaining funding adjustments proportional to the two other strategies.

City of Springfield – CDBG Program

Fiscal Year 2025 Annual Action Plan

This summary describes specific housing and community development actions and activities the City of Springfield proposes to undertake with Community Development Block Grant (CDBG) funds during the program year beginning July 1, 2024 and ending June 30, 2025 (Fiscal Year 2025). It is one part of the Eugene-Springfield Fiscal year (FY) 2025 Annual Action Plan.

Communities that are entitled to receive funds from U.S. Department of Housing and Urban Development (HUD) must complete a Consolidated Plan every five years as well as annual Action Plans. The Consolidated Plan provides an assessment of needs of low- and moderate-income persons and a strategic five-year plan for taking actions to address those needs using Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds received by the Cities of Eugene and Springfield. The Annual Action Plan describes specific actions to be undertaken in a particular year with federal funds. The content of the Annual Action Plan is guided by HUD. Springfield and Eugene adopted the most recent five-year Eugene-Springfield Consolidated Plan in 2020.

The Cities of Eugene and Springfield each receive an annual entitlement allocation of CDBG funds directly from HUD. The two Cities also receive HOME funds from HUD through the Eugene-Springfield HOME Consortium. The City of Eugene is the lead agency in the HOME Consortium.

A summary of planned uses by the Eugene-Springfield HOME Consortium for the use of HOME funds is available from the City of Eugene, as well as a summary of planned uses of Eugene CDBG funds. The following describes only the planned uses of CDBG funds received by the City of Springfield.

Coordination and Collaboration

The Cities of Eugene and Springfield collaborate in multiple ways to plan for and implement affordable housing and community development activities. The Cities of Eugene and Springfield jointly prepare the five-year Consolidated Plan and coordinate preparation of the Annual Action Plans, and Comprehensive Annual Performance and Evaluation Report. There are multiple forms for communication and collaboration between the jurisdictions and other public agencies, affordable housing developers, social service providers, and other interested parties. The Lane County Human Services Commission (HSC) and Poverty & Homelessness Board (PHB) offer ongoing opportunities for collaboration and communication.

Citizen Participation

The City of Springfield encourages public participation in identifying specific needs and uses of CDBG funds in FY 2025. The City of Springfield Community Development Advisory Committee

(CDAC) is composed of community residents and was established by the City of Springfield to make recommendations concerning program policy and project selection to the City Council.

On March 1, 2024, Springfield released its DRAFT CDBG Annual Action Plan. A public comment period was held open until April 3, 2024. The CDAC held two public hearings to hear about needs and priorities from the community as part of this process, including the proposed uses in the draft allocation. The first public hearing was held February 7, 2024. The second public hearing was held April 3, 2024. This year, the City did not release a CDBG Request for Proposals. Springfield's City Council held one work session on February 20, approving the proposed allocation for comment. The Council met again on April 22 to discuss the needs and strategies, including the recommendation of the CDAC for funding. The budget allocation is included in Attachment A.

Springfield Housing Strategy

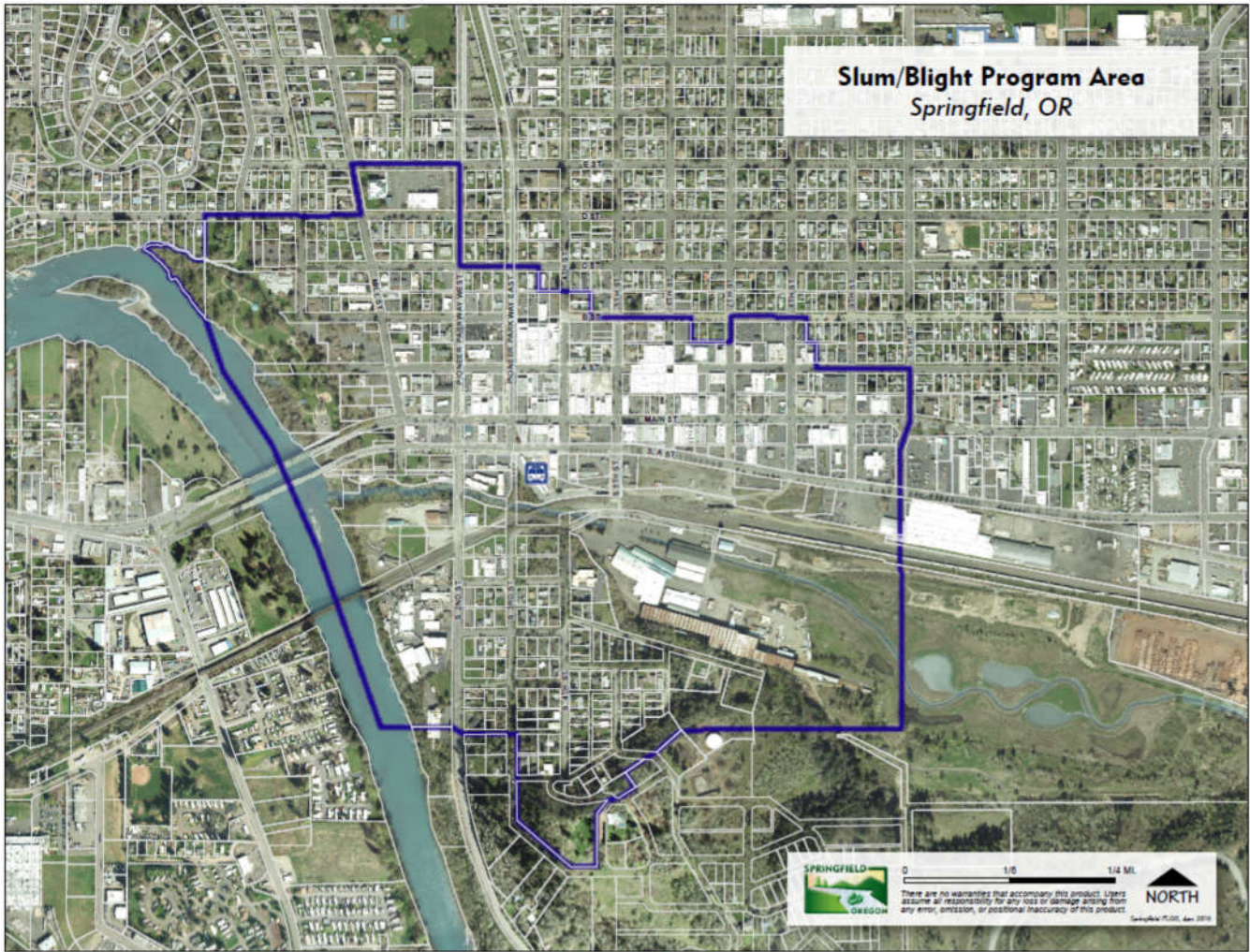
The City has developed a housing strategy to address the low supply of housing and to foster housing choice and affordability in the short and long term. Springfield is focused on implementing a strategy that will make the most impact on addressing Springfield's affordable housing needs, recognizing that the City needs increasing housing units at all levels of the housing continuum.

Activities Benefiting Low- and Moderate-Income Persons

Generally, Springfield's CDBG-funded programs and projects are provided to benefit low-income residents living within the city limits of Springfield. Individuals participating in a CDBG-funded program are required to meet HUD Income Guidelines. In order to meet the CDBG National Objective of Benefit to Low and Moderate-Income Persons, CDBG-funded projects must either serve a specific low-income area or provide tangible benefit to low- and moderate-income clientele (services, economic opportunities, housing). Funded programs and projects undergo periodic staff monitoring to ensure compliance with CDBG regulations. All of the allocations in Springfield's Annual Action Plan for FY 2025 would benefit low- and moderate-income persons.

Activities for the Prevention or Elimination of Slum and Blighted Conditions

Another national objective of the CDBG program is the prevention or elimination of slums and blighted conditions in neighborhoods and communities, either by designating a specific area or by addressing conditions on a spot basis. In 2014, Springfield re-designated a Springfield Downtown Redevelopment Area, in compliance with CDBG regulations. The Downtown Redevelopment Area is pictured below.



Strategies to Address Priority Needs

The City of Springfield receives an annual allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). For FY 2025, the City of Springfield is estimating it will receive an entitlement allocation of \$555,345. Attachment A shows the sources of funding, and proposed uses, for the FY 2025 CDBG Annual Action Plan.

The 5-year Eugene-Springfield 2020 Consolidated Plan emphasizes goals and strategies to meet priorities needs of renters, homeowners, people experiencing homelessness, and non-homeless special needs populations. Additional needs include increased employment opportunities as well as low-income neighborhoods and areas of slum and blight. The priority strategies described below are intended to address one or more priority needs.

The following narrative describes proposed allocations of Springfield CDBG funds for FY 2025 as it relates to each strategy identified in the Eugene-Springfield 2020 Consolidated Plan. Certain strategies in Springfield are met through the Eugene-Springfield HOME allocations, and are indicated below. More details can be found regarding the allocation of HOME funds in the Eugene FY 2025 DRAFT Annual Action Plan.

In addition to the proposed allocations listed below, Springfield is also proposing to allocate 20% of new entitlement funds toward Grant Planning and Administration, for a total of \$111,069.

Affordable Housing

Affordable housing goals are intended to address HUD program objectives to provide decent, safe, and affordable housing and address critical housing needs of low-income people in our community. A total of four affordable housing goals are included in the Eugene-Springfield 2020 Consolidated Plan.

Increase the Supply of Affordable Housing

- Housing Development – The City of Springfield recognizes that the housing supply is low, particularly affordable housing for low-income residents, and previous allocations have aimed to add a net increase of units to the housing supply. In FY 2023, the City received \$1.5 million in American Rescue Plan Act (ARPA) funds to put toward acquiring land for affordable housing. Given that these funds are more flexible than using CDBG funds for this same activity, the City has focused on using ARPA funds toward this strategy and has reallocated prior year CDBG funds away from this activity. Additional funds allocated through the FY 2025 HOME Allocation will help to address this strategy in Springfield. (see FY 2025 HOME Allocation)
- Community Housing Development Organization (CHDO) Operating Support – (see FY 2025 HOME Allocation)

Rehabilitate Existing Housing Stock

- Springfield Home Repair - The City of Springfield plans to continue to provide assistance to qualified low-income homeowners through its Home Repair Program. This program is

funded from the new CDBG entitlement grant. Increased construction costs of labor and materials, plus an interest in expanding the program, bring the proposed allocation for this program to \$260,974.

Provide Down Payment Assistance for Home Ownership

- Springfield Home Ownership Program - The City of Springfield is committed to supporting low-income homebuyers. In FY 2023, the City revamped the homebuyer assistance program by increasing the maximum loan amount per household, and working with lenders to find creative ways to help support homeownership. The City is partnering with DevNW to help administer this program. In FY 2025, the City is proposing to allocate an additional \$100,000 in CDBG funds toward this program.

Remove Barriers to Affordable and Supportive Housing

- There are currently no funds allocated to this strategy. In 2020, Springfield conducted an Analysis of Impediments to Fair Housing Choice. In previous years, Springfield has worked with interns from the University of Oregon on this strategy to promote equal access in housing choice. Springfield is focused on promoting information on the City website, and to our community partners. In FY 2024, Springfield updated its website to include information about removing discriminatory covenants from residential property, and directing the City Attorney to petition Lane County Circuit Court for the removal of discriminatory covenants from City-owned property. Springfield continues to seek opportunities to affirmatively further fair housing and inform others about fair housing.

Community Development

Community development goals are intended to satisfy HUD program objectives by providing human services; creating jobs; improving access to public facilities; and furthering neighborhood revitalization, planning, and community-building activities. A total of three community development goals were included in the Eugene-Springfield 2020 Consolidated Plan.

Support a Human Services Delivery System

- Non-profit services through the Human Services Commission (HSC) – City of Springfield collaborates with Lane County to fund human service providers. The Human Services Commission (HSC) is the intergovernmental board that guides the use of funds and oversees the activities of agencies receiving funds. Agencies to be funded are determined through a competitive Request for Proposals (RFP) administered by the HSC. Springfield is proposing to allocate 15% of new entitlement funds to the HSC for a total of \$ 83,302 in FY 2025.
- Non-profit capital facility improvements – In prior year CDBG Action Plans, the City allocated a total of \$505,494 in funding toward Catholic Community Services of Lane County's project to develop an addition to their community service center to serve homeless families with children. The City continues to work with Catholic Community Services toward completing this project, including wrapping up the HUD-required environmental review. The City has also allocated \$225,000 toward Relief Nursery's

project to acquire land in order to expand their existing service center. The City continues to work toward completing that HUD-required environmental review.

Promote Economic Development

- There are currently no FY2025 funds allocated toward this strategy.

Make Strategic Investments to Improve Neighborhoods

- Public improvements in low-income neighborhoods – Through the FY 2023 Request for Proposals, the City's Development and Public Works Department identified a need to address the increased heat index within low income neighborhoods. The City allocated \$85,000 toward a tree planting pilot project to increase the canopy in high heat low-income neighborhoods. The City continues to work on this project. There are no additional funds allocated toward this strategy.

ATTACHMENT A

CDBG REVENUES (estimated)		TOTAL FUNDS
FY 2025 Entitlement Funds (EN)		\$ 555,345
Other Funds <ul style="list-style-type: none"> • Carryforward from previous years • Program Income in FY24 		\$ 0
TOTAL		\$ 555,345
CDBG EXPENDITURES (estimated)		
Consolidated Plan Strategy	Activity	Amount (TOTAL)
1. Increase the supply of affordable housing	Acquisition, improvements, etc	-
2. Rehabilitate existing housing stock affordable to low-income persons	Home Repair Program	\$ 260,974
3. Provide down payment assistance for home ownership	Springfield Homeownership Program (SHOP)	\$ 100,000
4. Remove barriers to affordable and supportive housing	Support programs that assure housing opportunities are provided without discrimination	-
5. Support a human services delivery system to address the needs of homeless persons and special needs populations	Human Services Commission (HSC)	\$ 83,302
	Non-profit capital improvements	-
6. Promote employment opportunities	Economic development	-
7. Make improvements to low income neighborhoods and areas of slum and blight	Public improvements in sidewalks, streets	-
	Address causes of slum and blight	-
	Planning and Administration	\$ 111,069
TOTAL		\$ 555,345

AGENDA ITEM SUMMARY

Meeting Date: 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Kristi Krueger/DPW
Staff Phone No: 541-726-4584
Estimated Time: 5 min
Council Goals: Maintain and Improve Infrastructure and Facilities

**SPRINGFIELD
CITY COUNCIL**

ITEM TITLE: ACCEPTANCE OF PROJECT P21151 CENTENNIAL BLVD OVERLAY (ASPEN-PRESCOTT)

ACTION REQUESTED: Adopt or reject the following resolution:

A RESOLUTION TO ACCEPT CITY BOND PROJECT P21151, CENTENNIAL BLVD OVERLAY (ASPEN-PRESCOTT).

ISSUE STATEMENT: Riverbend Construction has completed the work on the Centennial Blvd Overlay, P21151 (Aspen St. to Prescott Ln.) and the project is ready for City Council to formally accept the work.

ATTACHMENTS: [1. Resolution](#)
[2. Before and After Photos](#)

**DISCUSSION/
FINANCIAL
IMPACT:** Construction was completed on the Centennial Blvd project by Riverbend Construction in February 2023 for a total project cost of \$1,301,459. After project completion, the City worked with the Contractor and DOWL (Design Consultant) to review, update, and accept the As-builts according to City standards.

The project consisted of new pavement inlay, ADA upgrades to existing curb ramps and signals, signage, and new pavement markings on Centennial from Aspen St. to Prescott Lane.

Funding for this project was from the \$10 million-dollar five-year general obligation bond that was passed by the Springfield voters in November 2018.

Centennial Blvd marks the final segment of the general obligation bond approved by voters in 2018.

**CITY OF SPRINGFIELD, OREGON
RESOLUTION NO. _____**

RESOLUTION ACCEPTING CAPITAL IMPROVEMENT PROJECT P21151

WHEREAS, work on the improvement described below has been fully completed and has been duly inspected by the City Engineer of the City of Springfield: P21151, Centennial Blvd. Overlay (Aspen – Prescott), Capital Improvement Project;

WHEREAS, said work was found to be in conformance with the terms of the plans and specifications prepared by the Engineer of Record and approved by the City Engineer; and

WHEREAS, it is the recommendation of the City Engineer that this Capital Improvement Project be accepted and permanently included in the improvement maintenance program of the City of Springfield.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD:

Section 1: The Common Council of the City of Springfield does hereby accept for future maintenance the above-described project and accepts said improvement from the Developer involved.

Section 2: This Resolution will take effect upon adoption by the Council and approval by the Mayor.

ADOPTED by the Common Council of the City of Springfield this 6th day of May 2024, by a vote of _____ for and _____ against.

ATTEST:

City Recorder

**REVIEWED & APPROVED
AS TO FORM**

Kristina Kraaz _____

DATE: **Feb. 9, 2021**
SPRINGFIELD CITY ATTORNEY'S OFFICE

Before Photo's Centennial Blvd Overlay "GO BOND" Project









AGENDA ITEM SUMMARY**SPRINGFIELD
CITY COUNCIL****Meeting Date:** 5/6/2024
Meeting Type: Regular Meeting
Staff Contact/Dept.: Kristina Kraaz, CAO
Sandy Belson, DPW
Staff Phone No: 541-744-4061
Estimated Time: Consent Calendar
Council Goals: Encourage Economic
Development and
Revitalization through
Community Partnerships

ITEM TITLE: PLANNING COMMISSION MUNICIPAL CODE AMENDMENTS

**ACTION
REQUESTED:** Conduct a second reading and adopt/not adopt the following ordinance:
AMENDING SPRINGFIELD MUNICIPAL CODE SECTIONS 2.402 THROUGH
2.424 RELATED TO CITY PLANNING COMMISSION AND ADOPTING A
SEVERABILITY CLAUSE

**ISSUE
STATEMENT:** The Municipal Code section pertaining to the Planning Commission has provisions
that are out of date. The proposed ordinance would update the Code to incorporate
current Council practices and terminology. It would also require that any
Commissioners who don't live in the City of Springfield have a primary residence
within the Springfield urban growth boundary.

ATTACHMENTS: [1 – Proposed Ordinance](#)
[Exhibit A – Legislative Municipal Code Amendments](#)

**DISCUSSION/
FINANCIAL
IMPACT:** A first reading of the proposed ordinance was held on April 15, 2024. There is no
financial impact to any of the proposed code amendments. The proposed
amendments would:

1 – Continue to require at least five Commissioners to live within the city limits,
but require any non-resident Commissioners to have their primary residence within
the Springfield urban growth boundary.

2 – In accordance with Council's current operating policies and procedures, require
that Council declare an office of an appointed Commission member to be vacant.

3 – Update the name of the relevant department from Development Services to
Development and Public Works.

4 – In accordance with Council's current operating policies and procedures, no
longer require a monthly meeting summary of Planning Commission activities.

5 – Update the reference in the Springfield Development Code for public hearings.

6 – Include reference to the Springfield Comprehensive Plan in addition to the
Eugene-Springfield Metropolitan Area General Plan.

CITY OF SPRINGFIELD, OREGON
ORDINANCE NO. _____ (GENERAL)

AMENDING SPRINGFIELD MUNICIPAL CODE SECTIONS 2.402 THROUGH 2.424 RELATED TO CITY PLANNING COMMISSION AND ADOPTING A SEVERABILITY CLAUSE

WHEREAS, Oregon Revised Statute (ORS) 227.020 grants the authority for a city to create a planning commission and provide for its organization and operations;

WHEREAS, the Planning Commission was established by the Springfield City Council, codified in Springfield Municipal Code Sections 2.402-2.424 and serves at the will of the Council;

WHEREAS, ORS 227.030 establishes membership requirements but cities have the authority to establish additional requirements;

WHEREAS, the City Council finds that the community would be best represented if all members of the Planning Commission who are not residents of the City of Springfield are required to live within Springfield's urban growth boundary;

WHEREAS, per the currently-effective City Council Operating Policies and Procedures, the Council declares a position vacant and Council no longer expects a monthly meeting summary of Planning Commission activities;

WHEREAS, the former Development Services Department is now a part of the Development and Public Works Department;

WHEREAS, there have been a number of amendments to the Springfield Development Code over the years, such that public hearings are now referenced in Section 5.2.100 rather than in Article 14; and

WHEREAS, the City has adopted the Springfield Comprehensive Plan as the Springfield-specific comprehensive plan and no longer relies exclusively on the Eugene-Springfield Metropolitan Area General Plan as the sole comprehensive plan for the City of Springfield;

NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF SPRINGFIELD ORDAINS AS FOLLOWS:

Section 1. Sections 2.402 through 2.424 of the Springfield Municipal Code are amended as provided in Exhibit A, attached hereto and incorporated by reference.

Section 2. Severability Clause. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion hereof.

ADOPTED by the Common Council of the City of Springfield this _____ day of May, 2024, by a vote of _____ for and _____ against.

APPROVED by the Mayor of the City of Springfield this _____ day of May, 2024.

Mayor

ATTEST:

Acting City Recorder

Exhibit A

Amendments to Springfield Municipal Code 2.402-2.424 City Planning Commission

2.402 Creation.

There is hereby created a Planning Commission for the city.

2.404 Membership.

(1) The Planning Commission shall consist of seven members, to be appointed by the Mayor and Council, two of whom may be non-residents of the city. Non-residents must have their primary residence within the Springfield urban growth boundary.

(2) No more than two appointed members shall be engaged principally in buying, selling or developing real estate for profit as individuals, or be members of any partnership, or officers or employees of any corporation that is engaged principally in buying, selling or developing of real estate for profit. No more than two voting members shall be engaged in the same kind of business, trade, profession or occupation.

2.406 Terms of Office.

Appointed members shall each hold office for four years.

2.408 Vacancies.

Any vacancy on the Commission shall be filled by the Mayor and Council for the unexpired portion of the term of the member creating the vacancy. The Council may declare an office of an appointed Commission member vacant whenever the Commission member has two consecutive unexcused absences.

2.410 Officers.

At the beginning of each calendar year, the Planning Commission shall elect a chairperson and vice-chairperson who shall hold office for one year.

2.412 Secretary.

The Development and Public Works director, or a duly authorized representative, shall keep an accurate and legally sufficient record of all proceedings before the Commission.

2.414 Quorum.

A majority of appointed members shall constitute a quorum. If a quorum is present, all matters shall be decided by a vote of the majority.

2.416 Meetings.

The Planning Commission shall meet at least once a month, at such times and places as may be fixed by the Commission. Special meetings may be called in accordance with the public meeting laws by the chairperson or vice-chairperson. All meetings shall comply with state public meeting laws. Public hearings shall be held in accordance with Section 5.2.100 of the Springfield Development Code.

2.418 Staff—Expenses.

(1) The principal staff to the Planning Commission shall be the Development and Public Works Director and the Development and Public Works Department staff.

(2) Members of the Planning Commission shall receive no compensation but may receive incurred expenses.

2.420 Functions.

(1) The Planning Commission shall be responsible for making recommendations to the Council concerning the legislative adoption of land use plans and land use regulations, in accordance with state law. Such plans and regulations shall include, but not be limited to, the Eugene-Springfield Metropolitan Area General Plan (Metro Plan), Springfield Comprehensive Plan, refinement plans and functional plans, the Springfield Development Code, and any other plans or regulations that implement or are subservient to the Metro Plan or Springfield Comprehensive Plan.

(2) The Planning Commission shall also be responsible for the review of development proposals in the manner prescribed in the Springfield Development Code. In making such quasi-judicial land use decisions, the Planning Commission shall act impartially and in accordance with land use plans and regulations that have been adopted by the Council.

2.422 Recommendations to the City Council.

All recommendations to the Council by the Planning Commission shall be in writing and shall include findings and reasoning in support of the recommendation.

2.424 Expenditures.

The Planning Commission shall have no authority to make expenditures on behalf of the city or to obligate the city for the payment of any sums of money.