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Metropolitan Wastewater Management Commission



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April 16, 2015

Mr. Jon Ruiz, City Manager
City of Eugene
777 Pearl Street
Eugene, OR 97401

Subject: Metropolitan Wastewater Management Commission (MWMC)
2015-16 Regional Wastewater Program (RWP) Budget and
Capital Improvements Program (CIP)

Dear Mr. Ruiz:

On April 10, 2015 the MWMC held a public hearing on the fiscal year (FY) 2015-16 Regional Wastewater Program (RWP) Budget and Capital Improvements Program (CIP). At this meeting, the FY 2015-16 RWP Budget and CIP were approved. The RWP Budget funds operating and capital project requirements, and maintains targeted contributions to reserves.

Consistent with the Intergovernmental Agreement, the RWP Budget and CIP need to be ratified by the governing bodies of Eugene, Springfield and Lane County prior to final adoption by MWMC. Please forward the enclosed budget and CIP documents to the Eugene City Council for their consideration on May 11, 2015. If I can be of any additional assistance, please contact me at 541-726-3694.

Thank you for your consideration and assistance in this matter.

Sincerely,

A handwritten signature in blue ink that reads "Matt Stouder".

Matt Stouder
MWMC General Manager

Preliminary REGIONAL WASTEWATER PROGRAM BUDGET AND CAPITAL IMPROVEMENTS PROGRAM



Metropolitan Wastewater Management Commission



partners in wastewater management



Fiscal Year 2015-16

Preliminary
REGIONAL WASTEWATER PROGRAM
BUDGET
and
CAPITAL IMPROVEMENTS PROGRAM
Fiscal Year 2015-16

The Metropolitan Wastewater Management Commission adopted its Operating Budget and Capital Improvements Program (CIP) for FY 15-16 April 10, 2015. The Budget and CIP are currently scheduled for consideration and ratification by the Springfield City Council on May 4, 2015, the Eugene City Council on May 11, 2015, and the Lane County Board of Commissioners on May 19, 2015. The Commission is scheduled for final ratification of the Budget and CIP on June 12, 2015.

COMMISSION MEMBERS:

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Joe Pishioneri, Vice President (Springfield)
George Brown (Eugene)
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Doug Keeler (Springfield)
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STAFF:

Anette Spickard, MWMC Executive Officer/Springfield Development and Public Works Director
Matthew Stouder, MWMC General Manager/Springfield Environmental Services Manager
Michelle Cahill, Eugene Wastewater Division Director
Robert Duey, MWMC Finance Officer/Springfield Finance Director

METROPOLITAN WASTEWATER MANAGEMENT COMMISSION

***Preliminary* FY 15-16 BUDGET AND CAPITAL IMPROVEMENTS PROGRAM
for the**

REGIONAL WASTEWATER PROGRAM

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**REGIONAL WASTEWATER
PROGRAM BUDGET**

BUDGET MESSAGE

BUDGET MESSAGE

To the Metropolitan Wastewater Management Commission:

I am pleased to present the Metropolitan Wastewater Management Commission's (MWMC) budget for fiscal year (FY) 2015-16. This budget funds operations, administration, and capital projects planned for the Regional Wastewater Program (RWP). The MWMC administration and Capital Improvements Program (CIP) components of the budget are reflected in the City of Springfield's RWP budget. The operations, maintenance, equipment replacement, and major rehabilitation components are reflected in the City of Eugene's RWP budget. The Cities' Industrial Pretreatment Programs, managed locally in compliance with the MWMC Model Ordinance, also are included in the RWP budget.

This year's budget reflects a continued focus on design and construction of capital improvements planned to ensure that operation of the Regional Wastewater Facilities meets environmental regulations, and that adequate capacity will be provided to meet the needs of a growing service area. The FY 15-16 capital budget and 5-year capital improvements work plan, which are included in this budget document, are derived from the 2004 MWMC Facilities Plan. The budgeted amount for FY 15-16 Facilities Plan capital improvement projects is \$18,074,004; \$10,049,703 is carryover from unfinished projects budgeted in FY 14-15, and \$8,024,301, is new or rephased funding programmed in FY 15-16. The FY 15-16 capital budget also includes Equipment Replacement, Major Rehabilitation and Major Capital Outlay projects, budgeted at \$593,300, \$371,300 and \$2,900,000 respectively. The capital budget for FY 15-16 is \$21,938,604. Approximately \$17.4 million of the total capital budget will not be spent in FY 15-16, but is included to enable MWMC to commit to contracts that will occur in FY 15-16. Unspent funds will be carried forward to the FY 16-17 budget as appropriate. In order to fund the actual cash flow requirements of the FY 15-16 CIP, the Commission will use existing revenue bond proceeds, as well as strategic draw downs of capital reserves.

The FY 15-16 RWP Operating Budget for Personnel Services, Materials and Services and Capital Outlay expense is \$17,348,272. Consistent with the Commission's Financial Plan and policies, the FY 15-16 budget maintains and uses several reserves, which are fully described in this budget document. Finally, the FY 15-16 budget includes Debt Service payments totaling \$9,163,743 as scheduled for repayment of \$47.3 million of revenue bonds issued in November 2006, with an additional bond issuance of \$50.7 million in November 2008, and \$20.8 million in SRF loans to fund the Facilities Plan capital improvements.

Revenue sources necessary to fund Operations, Capital programs, Debt Service requirements and Reserves include user charges, System Development Charges (SDCs), interest earnings and a small amount of miscellaneous revenues. For FY 15-16 user fee revenues (including septage service and SDC Compliance Charge) are projected at \$30,987,500. This level of revenue is based on a projected increase in the total volume of wastewater generated from commercial and industrial activity and a 2% increase in regional wastewater user fees, as recommended by the MWMC financial advisor in order to meet the Commission's Financial Plan policies and net revenue objectives. Projected SDC revenues are estimated at \$1,100,000.

In summary, the projected FY 15-16 budget funds operations and administration sufficiently to maintain existing levels of service, and to meet the environmental performance and other legal

obligations of the Commission. It funds Capital Programs at a level necessary to implement the 2004 Facilities Plan objectives for compliance with the National Pollutant Discharge Elimination System (NPDES) permit issued to the MWMC and the two Cities. Finally, this budget implements the Commission's adopted Financial Plan policies regarding reserves, asset management, and capital financing.

REGIONAL WASTEWATER PROGRAM RESOURCE AND EXPENDITURE SUMMARY			
	ADOPTED BUDGET 2014-15	AMENDED BUDGET 2014-15	ADOPTED BUDGET 2015-16
RESOURCES			
Beginning Cash	\$98,084,436	\$104,316,181	\$107,167,940
User Fees	29,372,000	29,372,000	30,987,500
Internal Transfers	15,224,591	15,224,591	16,878,904
Miscellaneous	1,570,300	1,420,300	1,273,800
System Development Charge	830,000	830,000	1,100,000
Revenue Bond/SRF Proceeds	175,000	175,000	0 *
Interest	359,300	359,300	434,300
	\$145,615,627	\$151,697,372	\$157,842,444
EXPENDITURES			
Reserves	\$89,604,760	\$93,533,716	\$92,512,921
CIP	14,939,647	17,135,198	21,938,604 **
Internal Transfers	15,224,591	15,224,591	16,878,904 ***
Operations	12,771,358	12,809,396	13,516,071
Debt Service	9,163,982	9,163,982	9,163,743
Administration	3,911,289	3,830,489	3,832,201
	\$145,615,627	\$151,697,372	\$157,842,444

* Because all capital projects for which contracts will be awarded in FY 15-16 must be fully budgeted in FY 15-16, the revenue requirements, and in this case, any necessary borrowing, must be shown in the budget year.

** In governmental budgeting, projects are fully budgeted in the fiscal year in which the contract is awarded. At the end of each fiscal year, unspent funds are carried forward until the project is completed. This provides budget appropriations necessary for MWMC to commit to contracts that span more than one fiscal year. Therefore, although the budgeted amount in the capital budget for FY 15-16 is \$21,938,604, which includes Equipment Replacement, Major Rehab and Major Capital Outlay totaling \$3,864,600, the capital project spending for FY 15-16 is only expected to total about \$4.5 million.

*** Includes equipment replacement contributions totaling \$650,000, a Capital Reserve contribution of \$8.5 million, a \$19,276 transfer from Reimbursement SDC Compliance Charge to Operating, and transfers of \$5,709,628 from operating and \$2 million from Improvement SDC to finance debt service.

Respectfully submitted,



Anette Spickard
MWMC Executive Officer

REGIONAL WASTEWATER PROGRAM BUDGET

OVERVIEW

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 38 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 support to the Lane County Metropolitan Wastewater Service District (CSD), which managed the proceeds and repayment of general obligation bonds issued to construct RWP facilities.

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 15-16 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 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 15-16 RWP Operating Budget, Capital Improvements Program and associated work plans.

Outcome 1: Achieve and maintain high environmental standards.

Indicators:	Performance:		
	FY 13-14 Actual	FY 14-15 Estimated Actual	FY 15-16 Target
• Amount of wastewater treated to water quality standards	100%; 11.4 billion gallons	100%; 12.7 billion gallons	100%; 13 billion gallons
• Compliance with environmental performance requirements of all permits	One non-compliance*	In compliance	In compliance
• MWMC target for high quality biosolids	<50% EPA 40CFR Part 503.13 -Table 3 Pollutant Concentrations: Policy Met	<50% EPA 40CFR Part 503.13 -Table 3 Pollutant Concentrations: Policy Met	<50% EPA 40CFR Part 503.13 -Table 3 Pollutant Concentrations: Policy Met
• Volume of reclaimed water beneficially reused	58 million gallons	85 million gallons	80 million gallons
• Performance targets under the Environmental Management System are achieved	100% of EMS targets met or on schedule	100% of EMS targets met or on schedule	100% of EMS targets met or on schedule

*Biosolids Management Facility spill due to ice storm damage from the Severe Winter Storm on February 6-10, 2014

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

Indicators:	Performance:		
	FY 13-14 Actual	FY 14-15 Estimated Actual	FY 15-16 Target
• Annual budget and rates meet MWMC Financial Plan policies	Policies Met	Policies Met	Policies Met
• Annual audited financial statements	Clean Audit	Clean Audit	Clean Audit
• Uninsured bond rating	AA	AA	A
• Reserves funded at target levels	yes	yes	yes
• Net revenue to debt service coverage ratio	2.14	>1.25	>1.25

Outcome 3: Achieve and maintain a successful intergovernmental partnership.

Indicators:	Performance:		
	FY 13-14 Actual	FY 14-15 Estimated Actual	FY 15-16 Target
<ul style="list-style-type: none"> Industrial Pretreatment Program implementation in compliance with state/federal requirements; any required corrections completed 	In compliance	In compliance	In compliance
<ul style="list-style-type: none"> Capacity Management Operations and Maintenance (CMOM) Program development 	Developed Regional CMOM Program Framework	Adopted Regional CMOM Program Framework	Regional CMOM Program Plan implementation and annual reporting
<ul style="list-style-type: none"> MWMC Facilities Plan projects consistent with CIP budget and schedule 	100% of initiated projects within budget and 63% (5 of 8 projects) on schedule	100% of initiated projects within budget and 67% (4 of 6 projects) on schedule	100% of initiated projects within budget and 50% on schedule

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

Indicators:	Performance:		
	FY 13-14 Actual	FY 14-15 Estimated Actual	FY 15-16 Target
<ul style="list-style-type: none"> Preventive maintenance completed on time (best practices benchmark is 90%) 	95%	94%	90%
<ul style="list-style-type: none"> Preventative maintenance to corrective maintenance ratio (benchmark 4:1-6:1) 	4:1	4.5:1	5:1
<ul style="list-style-type: none"> Emergency maintenance required (best practices benchmark is <2% of labor hours) 	0.5%	0.2%	<2% of labor hours

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 13-14 Actual	FY 14-15 Estimated Actual	FY 15-16 Target
• MWMC Annual Report	Produced	Produced	Produce
• Create and distribute e-newsletters	2 Newsletters	3 Newsletters	4 Newsletters
• Organize pollution prevention campaigns	2 Campaigns	3 Campaigns	4 Campaigns
• Provide tours of the Water Pollution Control Facility	20 Tours	27 Tours	> 20 Tours
• MWMC website traffic	Maintained visitor levels	Maintained visitor levels	Maintain visitor levels
• Customer survey	In progress	Completed survey and reviewed results	---
• Develop video series	---	Design and begin production	Final production complete
• Implement bi-annual customer survey	---	---	Draft survey

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 77.40 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 Director, and the Environmental Services Manager serve as the MWMC Executive Officer and 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 15.01 FTE of Development and Public Works Department staff and 0.88 FTE of Finance Department staff, for a total 15.89 FTE as reflected in the FY 15-16 Budget.

Lane County

The Board of County Commissioners support 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

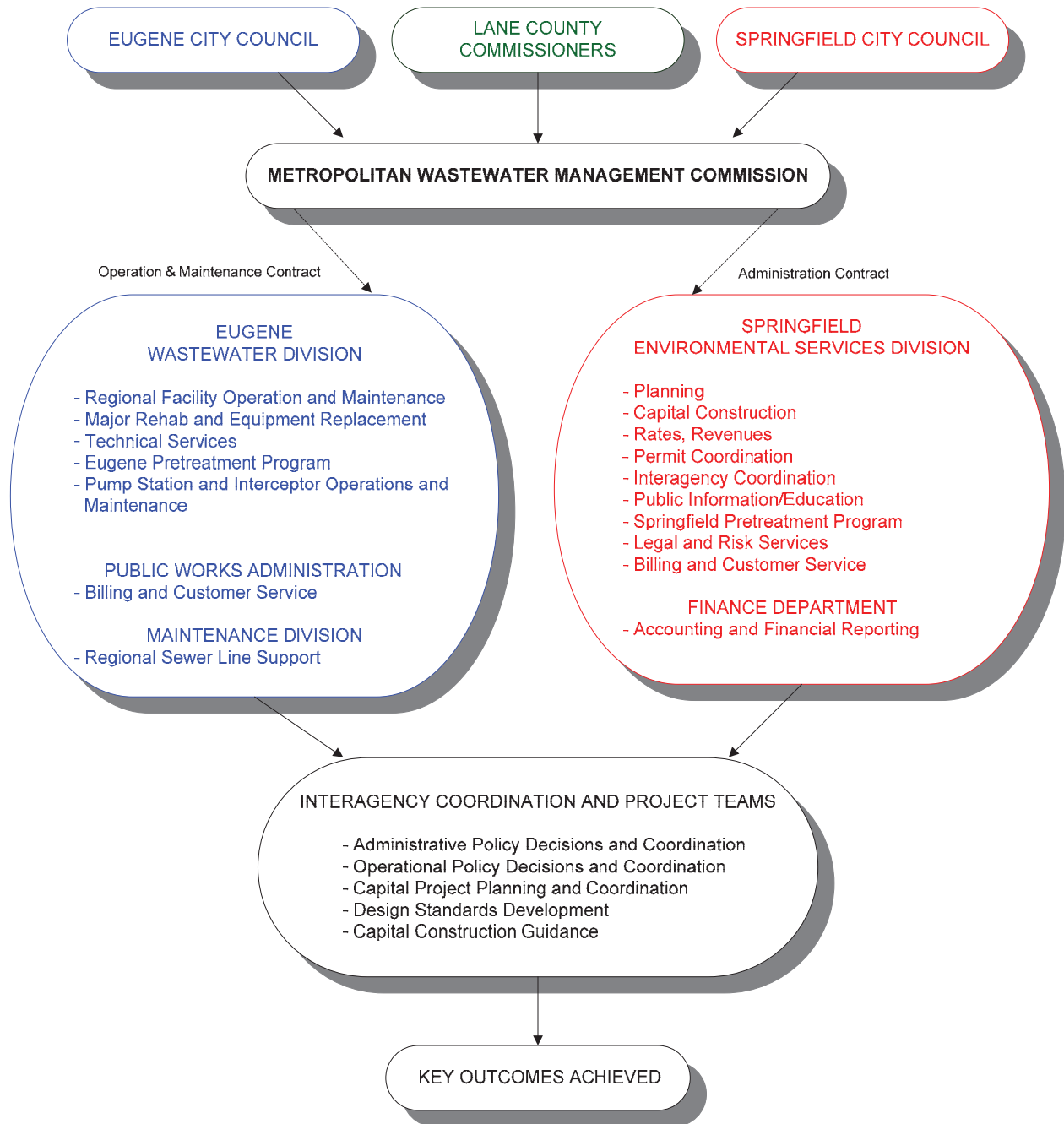
The effectiveness of the MWMC and the RWP depends on extensive coordination, especially between Springfield and Eugene staff, who provide ongoing program support. This coordination occurs in several ways. The Springfield ESD/MWMC General Manager and the Eugene Wastewater Division Director coordinate 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. Additionally, 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



REGIONAL WASTEWATER
PROGRAM BUDGET

BUDGET AND PROGRAM
SUMMARY

**REGIONAL WASTEWATER PROGRAM
FY 15-16 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 12. Finally, Exhibit 4 on page 13 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 14-15" column in all budget tables represents the updated FY 14-15 RWP budget as of February 2, 2015, which reconciled actual beginning balances at July 1, 2014, and approved budget transfers and supplemental requests.

EXHIBIT 2

**REGIONAL OPERATING BUDGET SUMMARY:
INCLUDING RESERVE CONTRIBUTIONS**

	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16	CHANGE (1) INCR/(DECR)	
Full-Time Equivalent Staffing Level	93.29	93.29	93.29	0.00	0.0%
Personnel Services (2)	\$9,656,542	\$9,656,542	\$10,102,922	\$446,380	4.6%
Materials & Services (2)	6,962,605	6,719,842	7,200,350	237,745	3.4%
Capital Outlay (2, 3)	63,500	63,500	45,000	(18,500)	-29.1%
Equip Replacement Contribution (4)	500,000	500,000	650,000	150,000	30.0%
Capital Contribution (5)	7,000,000	7,200,000	8,500,000	1,500,000	21.4%
Debt Service Contribution (6)	7,763,982	7,763,982	7,163,743	(600,239)	-7.7%
Working Capital Reserve (7)	900,000	900,000	900,000	0	0.0%
Rate Stability Reserve (8)	2,000,000	2,000,000	2,000,000	0	0.0%
Insurance Reserve (9)	100,000	180,000	500,000	400,000	400.0%
Operating Reserve (10)	3,017,045	4,786,590	4,823,396	1,806,351	59.9%
Rate Stabilization Reserve (11)	2,000,000	2,000,000	2,000,000	0	0.0%
SRF Loan Reserve (12)	642,866	642,866	670,908	28,042	0.0%
Revenue Bond Reserve (13)	4,100,000	4,100,000	4,100,000	0	0.0%
Budget Summary	\$44,706,540	\$46,513,322	\$48,656,319	\$3,949,779	8.8%

Notes:

1. The Change column and Percent Change column compare the adopted FY 15-16 Budget with the originally Adopted FY 14-15 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 “sinking funds” (reserves) for scheduled future replacement of major equipment, vehicles, and computers. See table on page 22 for year-end balance.
5. The Capital Reserve Contribution is a budgeted transfer of operating revenues to “sinking funds” (reserves). Capital is passed through the Springfield Administration Budget. See table on page 24 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 15-16 is \$7,163,743 the balance of which is budgeted from SDCs.
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 7 on page 21 for year-end balance.
9. The Insurance Reserve was established to set aside funds equivalent to the insurance deductible amount for property and liability insurance coverage, for losses per occurrence.
10. The Operating Reserve is used to account for the accumulated operating revenues net of operations expenditures. The Commission’s adopted a policy provides minimum guidelines to establish the Operating Reserve balance at approximately 10% 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 was established at \$2 million as a result of the 2006 MWMC Revenue Bond Declaration and Covenants. It holds funds that are available if needed, to ensure Debt Service payments can be made.
12. The Clean Water SRF loan reserve is budgeted as required per loan agreements.
13. The Revenue Bond Reserve was established to provide assurances to the bond holders that adequate revenue coverage will be provided for future debt service obligations. The \$4.1 million reserve to cover the 2006 bond is established in the operating fund, as it was funded with user fees. Separately, the \$4 million bond reserve for the 2008 bond issuance is held in the Capital funds.

EXHIBIT 3

REGIONAL WASTEWATER PROGRAM OPERATING BUDGET
LINE ITEM SUMMARY BY PROGRAM AREA

	ACTUAL FY 13-14	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16	CHANGE INCR/(DECR)	
SPRINGFIELD						
MWMC ADMINISTRATION						
Personnel Services	\$1,033,895	\$1,280,438	\$1,280,438	\$1,319,081	\$38,643	3.0%
Materials & Services	1,556,715	2,050,323	1,969,523	1,924,947	(125,376)	-6.1%
Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$2,590,610	\$3,330,761	\$3,249,961	\$3,244,028	(\$86,733)	-2.6%
INDUSTRIAL PRETREATMENT						
Personnel Services	\$294,888	\$334,275	\$334,275	\$340,854	\$6,579	2.0%
Materials & Services	104,217	122,551	122,551	117,252	(5,299)	-4.3%
Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$399,105	\$456,826	\$456,826	\$458,106	\$1,280	0.3%
ACCOUNTING						
Personnel Services	\$86,897	\$91,932	\$91,932	\$95,196	\$3,264	3.6%
Materials & Services	18,389	31,770	31,770	34,871	3,101	9.8%
Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$105,286	\$123,702	\$123,702	\$130,067	\$6,365	5.1%
TOTAL SPRINGFIELD						
Personnel Services	\$1,415,680	\$1,706,645	\$1,706,645	\$1,755,131	\$48,486	2.8%
Materials & Services	1,679,321	2,204,644	2,123,844	2,077,070	(127,574)	-5.8%
Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$3,095,001	\$3,911,289	\$3,830,489	\$3,832,201	(\$79,088)	-2.0%
EUGENE						
ADMINISTRATIVE SERVICES						
Personnel Services	\$1,458,873	\$1,737,124	\$1,737,124	\$1,799,936	\$62,812	3.6%
Materials & Services	428,458	745,403	544,788	640,252	(105,151)	-14.1%
Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$1,887,331	\$2,482,527	\$2,281,912	\$2,440,188	(\$42,339)	-1.7%
BIOSOLIDS MANAGEMENT						
Personnel Services	\$1,078,180	\$1,203,064	\$1,203,064	\$1,265,210	\$62,146	5.2%
Materials & Services	810,285	991,252	990,709	990,888	(365)	0.0%
Capital Outlay	6,225	0	0	0	0	0.0%
TOTAL	\$1,894,691	\$2,194,316	\$2,193,773	\$2,256,098	\$61,781	2.8%
INDUSTRIAL SOURCE CONTROL						
Personnel Services	\$407,988	\$535,786	\$535,786	\$554,628	\$18,842	3.5%
Materials & Services	76,950	133,776	133,605	132,957	(819)	-0.6%
Capital Outlay	0	20,000	20,000	45,000	25,000	125.0%
TOTAL	\$484,938	\$689,562	\$689,391	\$732,585	\$43,023	6.2%
TREATMENT PLANT						
Personnel Services	\$3,894,390	\$4,123,432	\$4,123,432	\$4,360,274	\$236,842	5.7%
Materials & Services	2,353,973	2,458,368	2,456,727	2,993,678	535,310	21.8%
Capital Outlay	26,529	43,500.00	43,500.00	0.00	(43,500)	0.0%
TOTAL	\$6,274,892	\$6,625,300	\$6,623,659	\$7,353,952	\$728,652	0.0%
REGIONAL PUMP STATIONS						
Personnel Services	\$102,212	\$181,185	\$181,185	\$191,450	\$10,265	5.7%
Materials & Services	210,086	338,369	379,441	307,501	(30,868)	-9.1%
Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$312,298	\$519,554	\$560,626	\$498,951	(\$20,603)	-4.0%
BENEFICIAL REUSE SITE						
Personnel Services	\$116,551	\$169,306	\$169,306	\$176,293	\$6,987	4.1%
Materials & Services	87,206	90,792.75	90,728.33	58,003.60	(\$32,789)	-36.1%
Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$203,758	\$260,099	\$260,034	\$234,297	(\$25,802)	-9.9%
TOTAL EUGENE						
Personnel Services	\$7,058,194	\$7,949,897	\$7,949,897	\$8,347,791	\$397,894	5.0%
Materials & Services	3,966,958	4,757,961	4,595,998	5,123,280	365,319	7.7%
Capital Outlay	32,754	63,500	63,500	45,000	(18,500)	-29.1%
TOTAL	\$11,057,907	\$12,771,358	\$12,609,395	\$13,516,071	\$744,713	5.8%
TOTAL REGIONAL BUDGET		\$16,682,647		\$17,348,272	\$665,625	4.0%

EXHIBIT 4**REGIONAL WASTEWATER PROGRAM
BUDGET SUMMARY AND COMPARISON**

	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16	CHANGE * INC(DEC)
<u>OPERATING BUDGET</u>				
Administration	\$3,906,289	\$3,825,489	\$3,828,201	(\$78,088)
Operations	12,771,358	12,609,395	13,516,071	744,713
Capital Contribution & transfers	7,000,000	7,200,000	8,500,000	1,500,000
Equip Repl - Contribution	500,000	500,000	650,000	150,000
Operating & Revenue Bond Reserves	12,759,911	14,610,256	14,994,304	2,234,393
Debt Service	7,763,982	7,763,982	7,163,743	(600,239)
Total Operating Budget	\$44,701,540	\$46,509,122	\$48,652,319	\$3,950,779
<u>Funding:</u>				
Beginning Balance	\$13,693,350	\$15,650,933	\$16,289,243	\$2,595,893
User Fees	29,370,000	29,370,000	30,985,000	1,615,000
Other	1,638,190	1,488,189	1,378,076	(260,114)
Total Operating Budget Funding	\$44,701,540	\$46,509,122	\$48,652,319	\$3,950,779
<u>CAPITAL PROGRAM BUDGET</u>				
Poplar Harvest Mgmt Services	\$161,700	\$184,691	\$1,265,000	\$1,103,300
Facility Plan Engineering Services	70,000	95,000	70,000	0
Capacity Mgmt., Operations, and Maint.	\$96,504	\$122,833	\$16,833	(\$79,671)
Influent PS/Willakenzie PS/Headworks	208,051	262,393	145,140	(62,911)
Digestion Capacity Increase	2,800,000	2,800,000	8,645,000	5,845,000
WPCF Lagoon Remove/Decommission	4,705,000	4,998,231	4,938,231	233,231
Sodium Hypochlorite Conversion	2,063,690	2,063,690	1,039,800	(1,023,890)
Operations Building Improvements	1,300,000	1,300,000	950,000	(350,000)
Thermal Load Pre-Implementation	275,000	254,005	210,000	(65,000)
Thermal Load Implementation 1	433,928	539,003	794,000	360,072
Biosolids Force Main Rehab	915,870	1,933,983	0	0
Tertiary Filtration 1	200,000	210,253	0	0
Primary Sludge Thickening	36,504	102,088	0	0
<u>Asset Management:</u>				
Equipment Replacement Purchases	439,400	614,530	593,300	153,900
Major Rehab	1,234,000	1,654,498	371,300	(862,700)
Major Capital Outlay	0	0	2,900,000	0
Total Capital Projects	\$14,939,647	\$17,135,198	\$21,938,604	\$6,998,957
<u>Funding:</u>				
Equipment Replacement	\$439,400	\$614,530	\$593,300	\$153,900
Capital Bond Fund	10,937,849	12,383,548	12,213,286	1,275,437
Capital Reserve	3,562,398	4,137,120	9,132,018	5,569,620
Total Capital Projects Funding	\$14,939,647	\$17,135,198	\$21,938,604	\$6,998,957

Note: * The Change (Increase/Decrease) column compares the adopted FY 15-16 budget to the originally adopted FY 14-15 budget column.

OPERATING BUDGET AND RATE HISTORY

The graphs on pages 15 and 16 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 Infrastructure 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 16. The Regional Wastewater Capital Improvement Programs graph on page 16 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 44.

As shown on the Regional Residential Sanitary Sewer Rate graph on page 15, 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 demonstrated the need for a significant capital investment in new and expanded facilities to meet environmental performance requirements and capacity to serve the community through 2025. Although a portion of these capital improvements can be funded through system development charges (SDCs), much of the funding for approximately \$196 million (in 2006 dollars) in capital improvements over the 20-year period will come from user charges. Since 2004, this has become the major driver of the MWMC's need to increase sewer user rates on an annual basis.

In FY 08-09, there was an 11% user rate increase over FY 07-08 rates applied uniformly across all user classes. This rate increase provided adequate revenue to meet current bond covenants and meet requirements to issue \$50.7 million in bonds in FY 08-09. Additionally, in October of 2008, the Commission adopted an interim user rate increase of 7% due to the closure of Hynix Semiconductor. This increase was necessary to issue new revenue bonds and maintain bond covenants for existing bonds. The typical residential monthly wastewater bill increased an additional \$1.10 per month and went into effect on December 1, 2008.

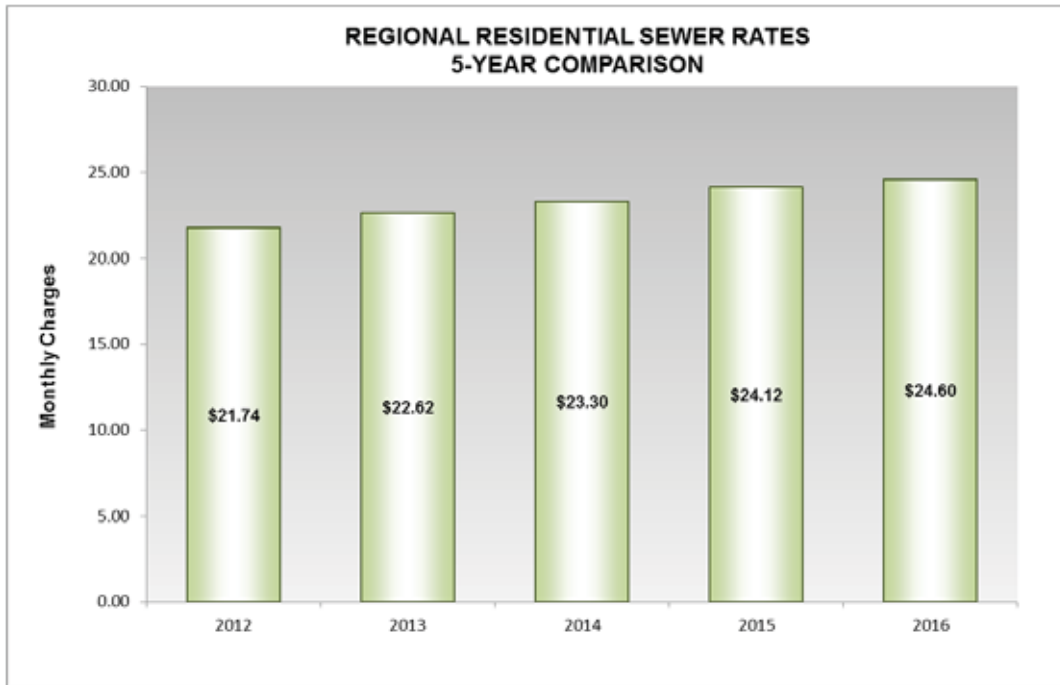
In FY 09-10, there was an 18% user rate increase over FY 08-09 rates applied uniformly across all user classes. This rate provided for Operations, Administration, Capital programs, reserves and debt service to be funded at sufficient levels to meet FY 09-10 requirements.

In FY10-11 user rates increased 5% over the prior year rates, and in FY 11-12 and FY 12-13 user rates increased 4% each year, over the prior year rates to provide for Operations, Administration, Capital programs, reserves, debt service, and debt coverage requirements.

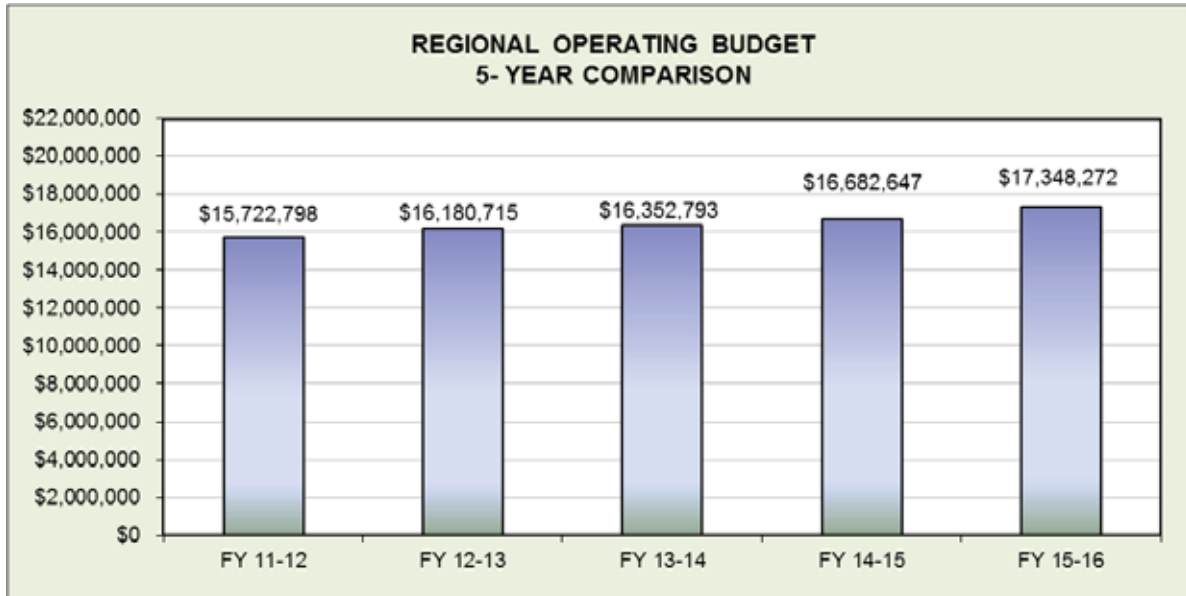
In FY 13-14 user rates increased 3% over the prior year rates, and in FY14-15 user rates increased by 3.5% over the prior year rates to provide for Operations, Administration, Capital programs, reserves, debt service, and debt coverage requirements.

The FY 15-16 Budget is based on a 2% user rate increase over the FY 14-15 rates. This increase will continue to 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 and covenants associated with the MWMC's 2006 and 2008 revenue bonds, as well as financially positioning for future investments in capital assets.

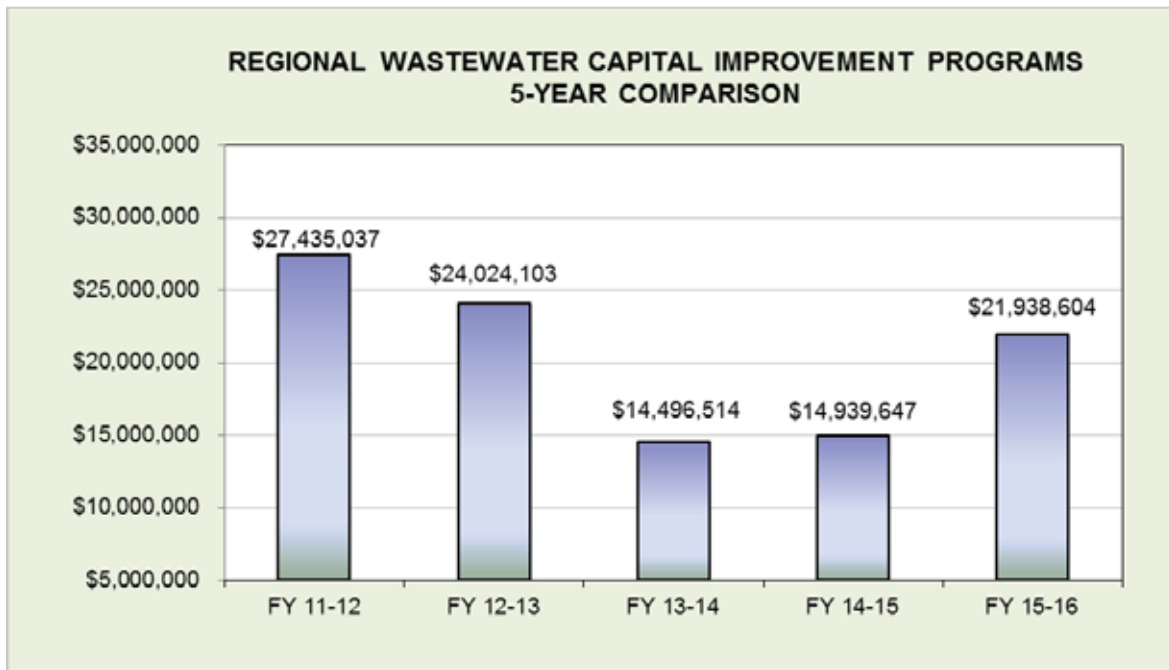
The chart below displays the regional component of a residential monthly bill when applying the base and flow rates to 5,000 gallons of wastewater treated, which includes a \$0.48 increase effective July 1, 2015.



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



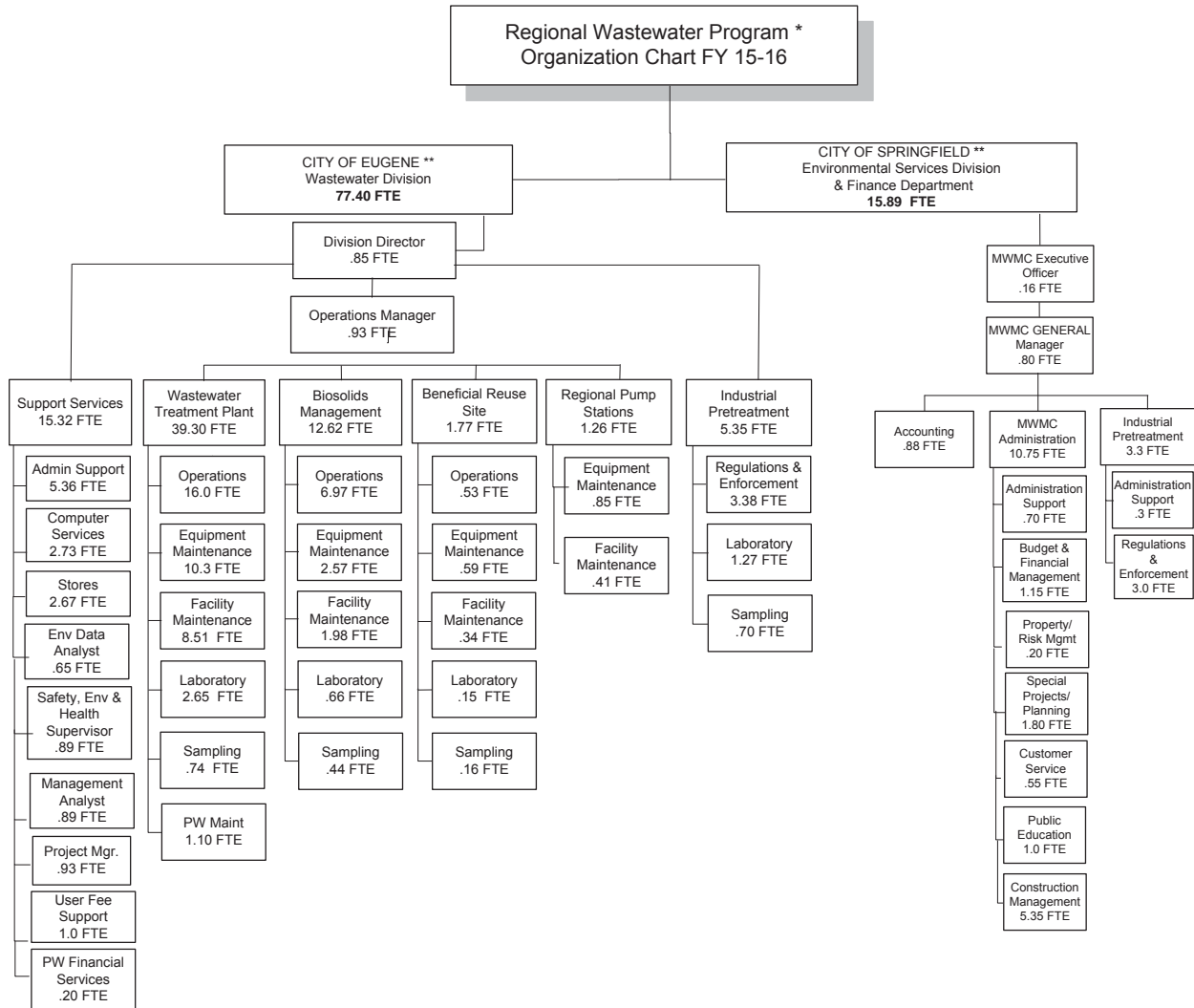
The graph below displays the Regional Wastewater Capital Improvement Program Budget amounts for the recent 5-year period.



REGIONAL WASTEWATER PROGRAM BUDGET

STAFFING

EXHIBIT 5



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 6**REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY**

CLASSIFICATION	BUDGET FY 13-14	BUDGET FY 14-15	BUDGET FY 15-16	FTE CHANGE
SPRINGFIELD ENVIRONMENTAL SERVICES & FINANCE				
Accountant	0.80	0.80	0.80	-
Accounting Supervisor	0.08	0.08	0.08	-
Administrative Specialist - Clerk III	0.25	0.25	0.25	-
Administrative Specialist - Secretary	0.80	0.80	0.80	-
Administrative Specialist	0.00	0.00	0.80	0.80
Assistant Project Coordinator	0.90	0.90	0.90	-
Civil Engineer/Design & Construction Coordinator	3.00	3.00	3.00	-
Construction Inspector II	1.00	1.00	0.00	(1.00)
Development and Public Works Deputy Director	0.08	0.08	0.08	-
Development and Public Works Director	0.08	0.08	0.08	-
Engineering Assistant	1.60	1.60	0.80	(0.80)
Environmental Management Analyst	0.00	0.00	0.65	0.65
Environmental Services Program Manager	0.55	0.55	1.35	0.80
Environmental Services Program Coordinator	1.00	1.00	1.00	-
Environmental Services Technician I	0.50	0.50	0.50	-
Environmental Services Technician II	1.00	1.00	1.00	-
ESD Manager/MWMC General Manager	0.75	0.75	0.80	0.05
Managing Civil Engineer	2.00	2.00	2.00	-
Public Information & Education Specialist	1.00	1.00	1.00	-
Senior Finance Analyst	0.50	0.50	0.00	(0.50)
TOTAL SPRINGFIELD	15.89	15.89	15.89	-

EXHIBIT 6 (Continued)REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY

CLASSIFICATION	BUDGET FY 13-14	BUDGET FY 14-15	BUDGET FY 15-16	FTE CHANGE
EUGENE WASTEWATER DIVISION & OTHER PW				
Administrative Specialist	1.78	1.78	1.78	-
Administrative Specialist, Sr	0.95	0.95	0.95	-
Application Support Technician	0.95	0.95	0.95	-
Application Systems Analyst	1.78	1.78	1.78	-
Custodian	1.00	1.00	1.00	-
Finance & Admin Manager	0.89	0.89	0.89	-
Electrician 1	1.28	3.28	3.28	-
Engineering Associate	0.35	0.35	0.35	-
Maintenance Worker	12.29	12.29	12.29	-
Management Analyst	4.25	4.25	4.25	-
Office Supervisor, Sr	0.89	0.89	0.89	-
Parts and Supply Specialist	1.78	1.78	1.78	-
PW Financial Services Manager	0.20	0.20	0.20	-
Utility Billing Coordinator	1.00	1.00	1.00	-
Wastewater Lab Assistant	0.82	0.82	0.82	-
Wastewater Division Director	0.85	0.85	0.85	-
Wastewater Instrument Electrician	3.00	1.00	1.00	-
Wastewater Plant Operations Manager	0.93	0.93	0.93	-
Wastewater Operations Supervisor	2.00	2.00	2.00	-
Wastewater Plant Maintenance Supervisor	2.88	2.88	2.88	-
Wastewater Pretreatment & Lab Supervisor	0.82	0.82	0.82	-
Wastewater Technician	36.71	36.71	36.71	-
TOTAL	77.40	77.40	77.40	-
GRAND TOTAL	93.23	93.29	93.29	-

REGIONAL WASTEWATER
PROGRAM BUDGET

RESERVES

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 2005 MWMC Financial Plan. Further details on the FY 15-16 reserves are provided below.

OPERATING RESERVES

The MWMC Operating Budget includes seven separate reserves: the Working Capital Reserve, Rate Stability Reserve, Rate Stabilization Reserve, Revenue Bond 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 15-16, \$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 "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 15-16 no additional contribution to this reserve is budgeted and the balance at June 30, 2016, will remain at \$2 million.

REVENUE BOND RESERVE

The Bond Reserve was created to provide assurances to the bond holders that adequate revenue coverage will be provided for future debt service payments. To meet reserve requirements of the 2006 bond issuance the Bond Reserve is budgeted at \$4.1 million for FY15-16, and is held in

the operating fund, as it was funded with user fees. The Bond Reserve from the 2008 issuance is held in the capital funds.

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 \$670,908 for FY 15-16.

INSURANCE RESERVE

The Insurance Reserve was established to set aside funds equivalent to the insurance deductible amount for property and liability insurance coverage, for losses per occurrence. The Insurance Reserve is set at \$500,000 for FY 15-16.

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 minimum guidelines to establish the Operating Reserve at approximately 10% of the adopted operating budget. For FY 15-16, the Operating Reserve is budgeted at \$4,823,396, which includes the 10% of total Personal Services, Materials and Services, and Capital Outlay in accordance with Commission policy.

EXHIBIT 7

	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16
OPERATING RESERVES			
Beginning Balance	\$13,693,350	\$15,650,933	\$16,289,243
User Fee Revenue	29,200,000	29,200,000	30,800,000
Septage Revenue	170,000	170,000	185,000
Other Revenue	1,570,300	1,420,300	1,273,800
Interest	50,000	50,000	85,000
Transfer from Bond Capital Fund	0	0	0
Transfer from Reimbursement SDCs	17,890	17,890	19,276
Personal Services	(9,656,542)	(9,656,542)	(10,102,922)
Materials & Services	(6,957,605)	(6,914,843)	(7,196,350)
Capital Outlay	(63,500)	(63,500)	(45,000)
Interfund Transfers	(7,500,000)	(7,500,000)	(9,150,000)
Transfer to Bond Debt Service Fund	(6,306,701)	(6,306,701)	(5,709,628)
Debt Service - SRF Loan	(1,457,281)	(1,457,281)	(1,454,115)
Working Capital	(900,000)	(900,000)	(900,000)
Insurance Reserve	(100,000)	(180,800)	(500,000)
SRF Loan Reserve	(642,866)	(642,866)	(670,908)
Rate Stability Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Rate Stabilization Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Bond Reserve - Revenue 2006	(4,100,000)	(4,100,000)	(4,100,000)
Operating Reserve	\$3,017,045	\$4,786,590	\$4,823,396

CAPITAL RESERVES

The MWMC Capital Budget includes five reserves: the Equipment Replacement Reserve, SDC Reimbursement Reserves, SDC Improvement Reserves, the Capital Reserve and the Bond 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, bond proceeds, and SRF 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 costing less than \$200,000 with useful lives of 20 years or less; 2) fleet vehicles maintained by the Eugene Wastewater Division; and 3) computers that serve the Eugene Wastewater Division. Contributions to the Equipment Replacement Reserve in the FY 15-16 budget total \$650,000, 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. The annual contribution is set so that all projected replacements will be funded over a 20-year period and at the end of the 20-year period, the reserve will contain replacement funds for all equipment projected to be in use at that time. Estimates used in the analysis include interest earnings, inflation rates and useful lives for the equipment.

EQUIPMENT REPLACEMENT RESERVE	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16
Beginning Balance	\$11,159,523	\$11,498,954	\$11,420,690
Annual Equipment Contribution	500,000	500,000	650,000
Annual Vehicle Contribution	0	0	0
Annual Computer Contribution	0	0	0
Interest	40,000	40,000	40,000
Equipment Purchases	(439,400)	(614,530)	(593,300)
Equipment Replacement Reserve	\$11,260,123	\$11,424,424	\$11,517,390

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 15-16 are approximately \$1.1 million. Budgeted expenditures include \$2 million from Improvement Fees to fund portions of the annual debt service payments on the

2006 and 2008 revenue bonds. The projected beginning SDC Reserve balance on July 1, 2015 is \$3,443,974.

	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16
REIMBURSEMENT SDC RESERVE			
Beginning Balance	\$382,525	\$421,036	\$490,946
Reimbursement SDCs Collected	80,000	80,000	100,000
Interest	1,800	1,800	1,300
SDC Compliance Charge	2,000	2,000	2,500
Xfr to Debt Service (Fund 312)	0	0	0
Xfr to Debt Service (Fund 612)	(17,890)	(17,890)	(19,276)
Materials & Services	(2,000)	(2,000)	(2,000)
Reimbursement SDC Reserve	\$446,435	\$484,946	\$573,470

	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16
IMPROVEMENT SDC RESERVE			
Beginning Balance	\$2,282,352	\$3,247,528	\$2,953,028
Improvement SDCs Collected	750,000	750,000	1,000,000
Interest	7,500	7,500	8,000
Materials & Services	(3,000)	(3,000)	(2,000)
Xfr to Debt Service (Fund 312)	(1,400,000)	(1,400,000)	(2,000,000)
Improvement SDC Reserve	\$1,636,852	\$2,602,028	\$1,959,028

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 15-16 Budget includes a contribution from the Operating Reserve of \$8.5 million. The beginning balance on July 1, 2015, is projected to be \$76,014,033. Additional budget detail on the CIP, Major Capital Outlay and Major Rehabilitation Program reserves is provided below.

REVENUE BOND RESERVE

The Bond Reserve was created to provide assurances to the bond holders that adequate revenue coverage will be provided for future debt service payments. For FY 15-16 the Bond Reserve is budgeted at \$4 million in order to meet reserve requirements of the 2008 bond issuance. The Bond Reserve from the 2006 issuance is held in the operating funds.

	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16
CAPITAL RESERVES			
Beginning Balance	\$70,566,686	\$73,497,729	\$76,014,033
Transfer from Operating Reserve	7,000,000	7,000,000	8,500,000
Interest	60,000	60,000	60,000
Interest Income (Revenue Bond Proceeds)	200,000	200,000	240,000
Revenue Bond Sale & SRF Proceeds	175,000	175,000	0
Other revenue	0	0	0
Funding For Capital Improvement Projects	(13,266,247)	(14,866,170)	(18,074,004)
Funding For Major Rehabilitation	(1,234,000)	(1,654,498)	(371,300)
Funding For Major Capital Outlay	0	0	(2,900,000)
Revenue Bond Reserve 2008	(4,000,000)	(4,000,000)	(4,000,000)
Capital Reserve	\$59,501,439	\$60,412,061	\$59,468,729

REGIONAL WASTEWATER
PROGRAM BUDGET

SPRINGFIELD
PROGRAM DETAIL

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 15-16 is provided in Exhibit 12 on page 40.

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 Issues
- 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 Development and Public Works (DPW) Director serves as the MWMC Executive Officer. The Environmental Services Manager serves as the 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. As of February 2015, there were 20 significant industrial users under permit in Springfield. 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 section in the Springfield Finance Department, in coordination with ESD. Springfield Accounting staff maintains grant and contract accounting systems, as well as compliance with all local, state and federal accounting and reporting requirements for MWMC finances. This section 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 15-16, the City of Springfield will support the following major regional initiatives in addition to ongoing Commission administration and industrial pretreatment activities:

- Implement the regional Capacity Management Operations and Maintenance (CMOM) Program Plan, focusing on continued inflow and infiltration reductions, including flow monitoring, data tracking, regional coordination, and exploring methods of addressing private laterals.
- Implement Capital Financing strategies necessary to meet current revenue bond obligations, prepare for additional debt financing, and ensure sufficient revenues in accordance with the 2005 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.
- Continue public information, education and outreach activities focused on the MWMC's Key Outcomes and objectives for maintaining water quality and a sustainable environment.
- Protect 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.

SIGNIFICANT BUDGET CHANGES FOR FY 15-16

The budget for Springfield Personnel Services, Materials and Services, and Capital Outlay for FY 15-16 totals \$3,832,201 representing an overall decrease of \$79,088 or 2.0% below the adopted FY 14-15 budget, as displayed in Exhibit 8 on page 28.

Personnel Services

Personnel Services totaling \$1,755,131 represents a FY 15-16 increase of \$48,486 or 2.8% over the originally adopted FY 14-15 budget. The major changes are summarized below:

Staffing Level - 15.89 full-time equivalent (FTE) staff remains level

Staffing remains level in the FY 15-16 budget when compared to FY 14-15.

Regular Wages and Overtime - \$1,160,286, an increase of \$21,638 or 2.0%

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

Health Insurance - \$317,214, an increase of \$17,526 or 5.8%

Health Insurance includes employee related medical and dental insurance.

PERS/OPSRP Contributions - \$159,121, an increase of \$7,550 or 5.0%

Projected employee retirement contribution for FY 15-16.

Materials and Services

The Materials and Services budget total is \$2,077,070 in FY15-16, representing a decrease of \$127,574 or 5.8% below the adopted FY 14-15 budget. The major changes are summarized below:

Contractual Services –\$141,000, a net decrease of \$45,180 or 24.3%

The \$45,180 total decrease includes a \$30,000 decrease for the one-time market survey previously conducted, a \$22,680 budget reduction for technical assistance, and a one-time increase of \$7,500 to fund the production of an educational video series.

Internal Charges - \$146,302, a decrease of \$33,759 or 18.7%

The \$33,762 decrease is primarily related to the regional portion of the City of Springfield internal insurance charges including liability, auto, property and risk insurance.

Indirect Costs - \$289,618, a decrease of \$41,206 or 12.5%

The \$41,206 decrease is based on changes in overhead costs as programmed in the FY 15-16 budget, when compared FY 14-15. Indirect Costs are based on a methodology approved by the federal government, which is outlined in the MWMC Intergovernmental Agreement.

Property and Liability Insurance - \$440,000, a decrease of \$23,600 or 5.1%

The \$23,600 decrease is in comparison to the originally adopted FY 14-15 budget. The MWMC requested Proposals for an Insurance Agent of Record in FY 14-15 and contracted for services with a new provider.

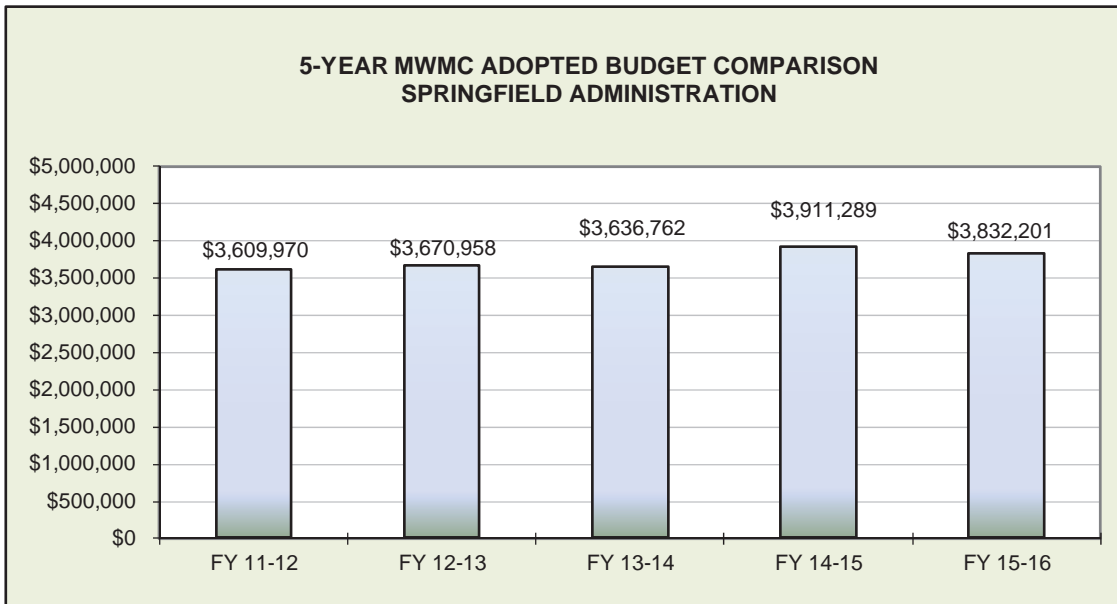
Computer Software & License - \$44,150, an increase of \$5,200 or 13.4%

The \$5,200 increase is due to ongoing service maintenance agreements annual charges.

EXHIBIT 8

**SPRINGFIELD ADMINISTRATION PROGRAM
ADOPTED FY 15-16
BUDGET SUMMARY**

	ACTUAL FY 13-14	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16	CHANGE *	
					INCR/(DECR)	
Personnel Services	\$1,415,680	\$1,706,645	\$1,706,645	\$1,755,131	\$48,486	2.8%
Materials & Services	1,679,321	2,204,644	2,123,844	2,077,070	(127,574)	-5.8%
Capital Outlay	0	0	0	0	0	0%
Budget Summary	\$3,095,001	\$3,911,289	\$3,830,489	\$3,832,201	(\$79,088)	-2.0%



Note: * Change column compares the adopted FY 15-16 Budget to the adopted FY 14-15 Budget.

EXHIBIT 9**SPRINGFIELD ADMINISTRATION
LINE ITEM BUDGET SUMMARY**

	ACTUAL FY 13-14	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16	CHANGE INCR/(DECR)	
PERSONNEL SERVICES						
Regular Wages	\$965,244	\$1,138,648	\$1,138,648	\$1,160,286	\$21,638	1.9%
Overtime	433	7,716	7,716	7,716	0	0.0%
Employee Benefits	95,550	109,022	109,022	110,794	1,772	1.6%
PERS/OPSRP	125,259	151,571	151,571	159,121	7,550	5.0%
Medical/Dental Insurance	229,194	299,688	299,688	317,214	17,526	5.8%
Total Personnel Services	\$1,415,680	\$1,706,645	\$1,706,645	\$1,755,131	\$48,486	2.8%
FTE	16.68	15.89	15.89	15.89	-	0.0%
MATERIALS & SERVICES						
Billing & Collection Expense	561,068	575,000	575,000	577,000	2,000	0.3%
Property & Liability Insurance	396,267	463,600	382,800	440,000	(23,600)	-5.1%
Contractual Services	11,268	186,180	186,180	141,000	(45,180)	-24.3%
Attorney Fees and Legal Expense	44,645	175,505	175,505	185,505	10,000	5.7%
WPCF/NPDES Permits	110,664	126,600	126,600	126,600	0	0.0%
Materials & Program Expense	44,090	86,689	86,689	85,015	(1,674)	-1.9%
Computer Software & Licenses	38,138	38,950	38,950	44,150	5,200	13.4%
Employee Development	13,185	20,915	20,915	20,780	(135)	-0.6%
Travel & Meeting Expense	13,113	20,320	20,320	21,100	780	3.8%
Internal Charges	140,565	180,061	180,061	146,302	(33,759)	-18.7%
Indirect Costs	306,318	330,824	330,824	289,618	(41,206)	-12.5%
Total Materials & Services	\$1,679,321	\$2,204,644	\$2,123,844	\$2,077,070	(127,574)	-5.8%
CAPITAL OUTLAY						
	0	0	0	0	0	NA
Total Capital Outlay	0	0	0	0	0	NA
TOTAL	\$3,095,001	\$3,911,289	\$3,830,489	\$3,832,201	(79,088)	-2.0%

REGIONAL WASTEWATER
PROGRAM BUDGET

EUGENE
PROGRAM DETAIL

**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

- Administration & Management
- Biosolids Management
- Facility Operations
- Facility Maintenance
- Industrial Source Control
- Laboratory Services
- Management Information Services
- Project 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 treatment and recycling, regional laboratory services, and an industrial source control and pretreatment program in conjunction with City of Springfield staff.

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 clerical support for reception, telephone services, and other miscellaneous needs. The Administrative services include oversight and coordination of the Division's Environmental Management System, safety, and training programs, and a stores unit that purchases and stocks parts and supplies and assists with professional services contracting. Another area this program administers is the coordination of local and regional billing and rate activities.

REGIONAL WASTEWATER TREATMENT FACILITY OPERATIONS

The Wastewater Division operates the WPCF to treat domestic and industrial liquid wastes to achieve an effluent quality that protects and sustains 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, Biosolids Management Facility, and the Beneficial Reuse Site.

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, local and regional pump stations, pressure sewers, as well as the Biosolids Management Facility. These sections provide a preventative maintenance program to

maximize equipment life and reliability; a corrective maintenance program for repairing unanticipated equipment failures; and a facility maintenance program to maintain the buildings, treatment structures, and grounds.

BIOSOLIDS MANAGEMENT

The Residuals Management section of the Wastewater Division manages the handling and beneficial reuse of the biological solids (biosolids) produced as a result of the activated sludge treatment of wastewater. This section operates the Biosolids Management Facility (BMF) and the Biocycle Farm located at Awbrey Lane in Eugene. The biosolids are treated using anaerobic digestion, stored in facultative lagoons (which provide some additional treatment benefits), and then processed through a belt filter press and air-dried to reduce the water content and facilitate transport. The dried material is ultimately applied to agricultural land. Biosolids are also irrigated on poplar trees at the Biocycle Farm as a beneficial nutrient and soil conditioner. This section also operates the Beneficial Reuse Site which formerly served to treat wastewater from food processing operation.

INDUSTRIAL SOURCE CONTROL (Pretreatment) and ANALYTICAL SERVICES, SAMPLING TEAM

The pretreatment program is a regional activity implemented jointly by the cities of Eugene and Springfield. The Industrial Source Control 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 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 staff is also responsible for locating new industrial discharges in Eugene and evaluating the impact of new non-residential discharges on the WPCF. During the calendar year 2014 there were 24 significant industrial users under permit in Eugene. The section also has responsibilities related to environmental spill response activities.

The Analytical Services group provides necessary analytical 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, and groundwater. Information from the laboratory is used to make treatment process control decisions, document compliance with regulatory requirements, demonstrate environmental protection, and ensure worker health and safety.

The Sampling Team is responsible for the sampling 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, and stormwater samples. The Division's Environmental Data Analyst evaluates and reports on the sampling data for various programs.

MANAGEMENT INFORMATION SERVICES (MIS)

The MIS section provides services for electronic data gathering, analysis, and reporting as necessary in compliance with regulatory requirements and management functions. This section also maintains the electronic 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.

PROJECT MANAGEMENT

Management of wastewater system improvements and ongoing developments is carried out by the Project Management staff. Activities include coordination of CIP activities with the City of Springfield staff, problem-solving and action recommendations, project management, technical research, coordination of activities related to renewal of the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permit, computer-aided design and electronic storage of design drawings, and planning of projects to anticipate and prepare for new regulatory and operational requirements. The Project Management staff develops Request for Proposals and Request for Quotes, coordinates special project activities between work sections, and coordinates the procurement of building permits as necessary in support of project activities.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 15-16, Eugene staff will support the following major regional initiatives in addition to ongoing operational activities.

- Manage the O&M responsibilities of the NPDES permits for the wastewater discharge and treatment plant stormwater programs and the Lane Regional Air Protection Agency (LRAPA) air emissions permit for the regional wastewater treatment plant.
- Continue to evaluate impacts of regulatory actions (such as the federal sanitary sewer overflows (SSO) and blending policy development, Willamette River TMDLs implementation, and any newly adopted state water quality standards) upon operational responsibilities.
- Provide technical input and O&M assessments related to proposed initiatives for addressing TMDL compliance, greenhouse gas emission controls, and renewable energy objectives.
- Complete scheduled major rehabilitation, equipment replacement, and other capital projects in an efficient and timely manner.
- Work cooperatively on the CIP elements and effectively integrate capital project work with ongoing O&M activities, with emphasis on maintaining an effective CIP management and coordination program with Springfield.

- Manage the Operations & Maintenance (O&M) aspects of the Biocycle Farm, continuing biosolids irrigation practices and poplar tree management.

SIGNIFICANT CHANGES IN THE O & M BUDGET FOR FY 15-16

The budget for Operations and Maintenance of the regional wastewater treatment facilities (personnel, materials and services, and capital outlay) for FY 15-16 totals \$13,516,071. The amount represents an increase of \$744,713 or 5.8% from the FY 14-15 budget. The largest cost centers for the budget are personnel costs, utilities, materials, maintenance, and chemicals. Details of significant items and changes for the FY 15-16 Operations and Maintenance budget as compared to the FY 14-15 budget include:

Personnel Services

Personnel Services totaling \$8,347,791 represents a FY 15-16 increase of \$397,894 or 5.0%. The major changes are in the following budget categories:

Staffing

The FY 15-16 budget requests no change in staffing level from the FY 14-15 budget. Staffing requests remains at 77.40 Full Time Equivalent (FTE).

Regular Wages - \$5,023,104, an increase of \$112,251 or 2.3%

Salaries are based upon the negotiated management/labor contracts between the City of Eugene and the local union (AFSCME).

Employee Benefits - \$1,776,013, an increase of \$195,675 or 12.4%

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

Health Insurance - \$1,385,853, an increase of \$89,094 or 6.9%

The 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 totaling \$5,123,280 and represents an FY 15-16 increase of \$365,319 or 7.7%. The major changes are in the following budget categories:

Indirect Charges - \$1,001,150, an increase of \$17,650 or 1.8%

This expenditure category includes costs for payroll processing, human resources services, information technology services, and budget and financial services provided by the City of Eugene to the Wastewater Division.

Contractual Services - \$795,235, a net increase of \$157,787 or 24.8%

This account includes services for outside lab testing, USGS water monitoring, poplar tree pruning and grit waste disposal. The FY15-16 budget request also includes an additional request of \$291,600 for ongoing landscape maintenance services. The MWMC invested approximately \$1.6 million in recent years for major landscaping improvements to the wastewater treatment facility. The landscape improvement contract included a 2-year maintenance agreement with the contract that expired in 2014. Upon expiration, the City of Eugene assumed operational

responsibility for all landscape maintenance associated with the project. The overall contractual services request includes a net increase of \$157,787 due to an offsetting budget decrease in one-time services such as electrical arc flash safety studies and a reduction in contracted seasonal extra help.

Materials & Program Expense - \$658,104, a net increase of \$20,624 or 3.2%

The Materials & Program Expense account includes a wide variety of operational items such as telephone charges, training costs, tools, small equipment, safety supplies, and inventory. The FY15-16 budget request includes an increase of \$35,000 for additional flow monitoring equipment, with offsetting budget decreases in small equipment and other materials and supplies.

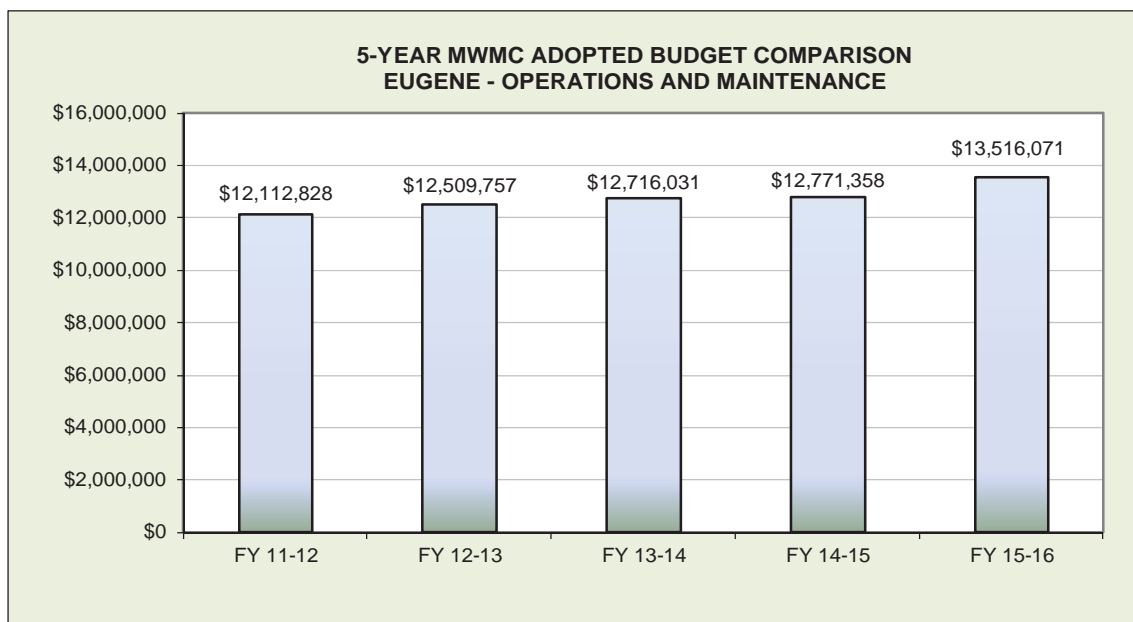
Chemicals - \$330,152, a decrease of \$10,150 or 3.0%

Chemicals cost decrease are due to favorable price agreements resulting in lower costs for disinfection chemicals and slightly lower usage.

EXHIBIT 10

**EUGENE - OPERATIONS AND MAINTENANCE PROGRAM
ADOPTED FY 15-16
BUDGET SUMMARY**

	ACTUAL FY 13-14	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16	CHANGE *	
					INCR/(DECR)	
Personnel Services	\$7,058,194	\$7,949,897	\$7,949,897	\$8,347,791	\$397,894	5.0%
Materials & Services	3,966,959	4,757,961	4,595,999	5,123,280	365,319	7.7%
Capital Outlay	32,754	63,500	63,500	45,000	(18,500)	-29.1%
Budget Summary	\$11,057,906	\$12,771,358	\$12,609,396	\$13,516,071	\$744,713	5.8%



NOTE: Does not include Major or Equipment Replacement

EXHIBIT 11

EUGENE - OPERATIONS & MAINTENANCE
LINE ITEM BUDGET SUMMARY

	ACTUAL FY 13-14	ADOPTED BUDGET FY 14-15	AMENDED BUDGET FY 14-15	ADOPTED BUDGET FY 15-16	CHANGE INCR/(DECR)	
<u>PERSONNEL SERVICES</u>						
Regular Wages	\$4,306,004	\$4,910,853	\$4,910,853	\$5,023,104	\$112,251	2.3%
Extra Help	86,482	0	0	0	0	0.0%
Overtime	40,983	71,120	71,120	70,975	(145)	-0.2%
Employee Benefits	1,413,506	1,580,338	1,580,338	1,776,013	195,675	12.4%
Workers' Comp/Unemploy Ins	89,052	90,827	90,827	91,846	1,019	1.1%
Health Insurance	1,122,167	1,296,759	1,296,759	1,385,853.00	89,094	6.9%
TOTAL PERSONNEL SERVICES	\$7,058,194	\$7,949,897	\$7,949,897	\$8,347,791	\$397,894	5.0%
FTE	77.40	77.40	77.40	77.40	0.00	0.0%
<u>MATERIALS & SERVICES</u>						
Utilities	\$672,768	\$751,190	\$751,190	\$754,682	\$3,492	0.5%
Fleet Operating Charges	463,089	391,967	391,967	439,691	47,724	12.2%
Maintenance-Equip & Facilities	233,665	341,408	341,408	354,538	13,130	3.8%
Contractual Services	389,011	637,448	437,448	795,235	157,787	24.8%
Materials & Program Expense	462,020	637,480	675,518	658,104	20,624	3.2%
Chemicals	319,370	340,302	340,302	330,152	(10,150)	-3.0%
Parts & Components	304,181	300,034	300,034	357,656	57,622	19.2%
Risk Insurance - Employee Liability	65,464	49,174	49,174	51,527	2,353	4.8%
Laboratory Equipment & Supplies	64,175	80,000	80,000	93,000	13,000	16.3%
Computer Equip, Supplies, Maint	216,760	245,458	245,458	287,545	42,087	17.1%
Indirects	776,456	983,500	983,500	1,001,150	17,650	1.8%
TOTAL MATERIALS & SERVICES	\$3,966,959	\$4,757,961	\$4,595,999	\$5,123,280	\$365,319	7.7%
<u>CAPITAL OUTLAY</u>						
Motorized Vehicles	26,529	0	0	45,000	45,000	0.0%
Capital Outlay-Other	6,225	63,500	63,500	0	(63,500)	0.0%
TOTAL CAPITAL OUTLAY	\$32,754	\$63,500	\$63,500	\$45,000	(\$18,500)	-29.1%
TOTAL	\$11,057,906	\$12,771,358	\$12,609,396	\$13,516,071	\$744,713	5.8%

**REGIONAL WASTEWATER
PROGRAM BUDGET**

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 15-16 CIP Budget, the FY 15-16 AMCP Budget, and the associated 5-Year Capital Plan are based on the 2004 MWMC Facilities Plan (2004 FP) and the Partial Facilities Plan Update dated June 2014. 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 in 2004. 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 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 the MWMC facilities in a manner that is as cost-effective, efficient, and affordable to the community as possible in the short and long term
- Implementation of the Citizens Advisory Committee recommendations, which represent diverse community interests, values and involvement, and that have been adopted by the Commission as the MWMC's plans and policies
- 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 15-16 CIP Budget, the FY 15-16 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 2005 Financial Management Plan.

Each of the two RWP capital programs relies on funding mechanisms to achieve RWP objectives described above. The CIP is funded primarily through proceeds from revenue bond sales, system development charges, and transfers from the Operating Fund to Capital Reserves. The AMCP is funded through wastewater user fees.

In addition to revenue bond sales, financing for qualified CIP projects was also secured through the State of Oregon Department of Environmental Quality (DEQ)'s Clean Water State Revolving Fund (CWSRF) loan program. From 2008-2010, The MWMC secured several CWSRF loan agreements totalling \$20.8 million. These 20-year loans provide the MWMC below-market interest rates ranging from 0 to 2.77 percent (%), along with additional financial benefits, including:

- \$450,000 in “Sponsorship” funding allocated for riparian shade tree planting projects to help address the MWMC’s pending thermal load obligations. The financing of these watershed-based projects is made available through the CWSRF program Sponsorship Option, which provides funding to the borrower to address nonpoint source water quality solutions through a reduced interest rate. The interest rate reduction allows the MWMC to invest in watershed improvements using money that would have otherwise been paid as interest on the loan.
- \$4 million funded through the American Reinvestment and Recovery Act (ARRA, or “Stimulus”). The ARRA funding provided 50% of the loan in principal forgiveness (not requiring repayment), and the remaining 50% of principal payment bearing 0% interest. This resulted in \$2 million of net revenue to the CIP in addition to interest savings.

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 the majority 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 2005 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 help fund capital projects, including major rehabilitation, to reduce the amount of borrowing necessary to finance capital projects.

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 but less than \$200,000; 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 capital items (new or replacement) with costs greater than \$200,000. 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, the MWMC must consider market changes that drive capital project expenditures. Specifically, the MWMC capital plan reflects projected price changes over time that affect the cost of materials and services. Until about 2003, the 20-city average *Engineering News Record Construction Cost Index* (ENRCCI) served as a good predictor for future inflation and was used for projecting the MWMC's construction costs. Accordingly, construction cost projections considered in the 2004 FP were based on January 2004, 20-city average ENRCCI. However, in the period 2004 through 2008, construction inflation accelerated nationally with local construction cost inflation accelerating even faster than the national average. City of Springfield staff identified this trend in 2005 and subsequently modified their inflationary projection methodology accordingly.

In early 2006, the MWMC hired the consulting firm CH2M Hill to perform a comprehensive update of project cost estimates. Following the 2006 update, the RWP's CIP assumed a general price increase of 5% per-year over the planning period. However, the MWMC continues to monitor inflationary trends to inform our forecasting of capital improvement costs. Recent construction bidding remains favorable when compared to engineering estimates. Accordingly, based on historical inflationary rates from 2006 through 2014, capital project budgets now reflect a 4% annual inflationary factor in the FY 15-16 Budget and 5-year Capital Plan.

Regional Wastewater Capital Program Status and Budget

CIP Project Status and Budget

The FY 15-16 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 15-16 project budgets is \$18,074,004. Each capital project represented in the FY 15-16 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 and driver (the reason for the project), the funding schedule for the project, and the project's expected final cost and cash flow. For those projects that are in progress, a short status report is included on the project sheet.

Completed Capital Projects

In FY 14-15, the following three capital projects are projected to be completed and closed out. No CIP project sheets are included for these projects because there is no expected carryover of project funds to FY 15-16.

- Tertiary Filtration – Phase 1 (landscape component)
- Primary Sludge Thickening
- Repair/Replacement of Biosolids Force Main
- Outfall Mixing Zone Study

Carryover Capital Projects

The remaining funding for active capital projects in FY 14-15 is carried forward to the FY 15-16 Budget. The on-going carryover projects are:

- Increase Digestion Capacity
- WPCF Lagoon Removal/Decommissioning
- Sodium Hypochlorite Conversion
- Operations & Maintenance Building Improvements
- Poplar Harvest Management Services
- Thermal Load Mitigation: Pre-Implementation
- Thermal Load Mitigation: Implementation 1
- Influent Pumping and Headworks Expansion
- Facilities Plan Engineering Services
- Capacity Management Operations and Maintenance (CMOM)

Overall, the budgeting for these projects follows, and is consistent with, the 2006 CH2M Hill estimated cost of the listed capital projects.

New Projects

No new projects are anticipated for the MWMC FY 15-16 Capital Budget.

FY 15-16 Capital Budget Summary (Exhibit 12)

Exhibit 12 below displays the adjusted budget and end-of-year expenditure estimates for FY 14-15, the amount of funding projected to be carried over to FY 15-16 and additional funding for existing and/or new projects in FY 15-16.

EXHIBIT 12**Summary of FY 15-16 MWMC Construction Program Capital Budget**

	FY 14-15 ADJUSTED BUDGET	FY 14-15 ESTIMATED ACTUALS	FY 14-15 CARRYOVER TO FY 15-16	NEW FUNDING FOR FY 15-16	TOTAL FY 15-16 BUDGET
Projects to be Completed in FY 14-15					
Repair/ Replacement of Biosolids Force Main	1,933,983	1,770,000	0	0	0
Tertiary Filtration - Phase 1	210,253	75,000	0	0	0
Primary Sludge Thickening	102,088	10,000	0	0	0
Outfall Mixing Zone Study	9,580	9,580	0	0	0
Projects to be Carried Over to FY 15-16					
Increase Digestion Capacity	2,800,000	525,000	2,275,000	6,370,000	8,645,000
WPCF Lagoon Removal / Decommissioning	4,998,231	60,000	4,938,231	0	4,938,231
Poplar Harvest Management Services	184,691	184,000	691	1,264,309	1,265,000
Sodium Hypochlorite Conversion	2,063,690	172,000	1,039,800	0	1,039,800
Operations & Maint Building Improvements	1,300,000	350,000	950,000	0	950,000
Thermal Load Mitigation: Implementation 1 ⁽¹⁾	539,003	24,000	515,003	278,997	794,000
Thermal Load Mitigation: Pre-Implementation	254,005	85,000	169,005	40,995	210,000
Influent Pumping and Headworks Expansion	370,140	225,000	145,140	0	145,140
Facilities Plan Engineering Services	95,000	95,000		70,000	70,000
Capacity Mgmt Operations Maint (CMOM)	122,833	106,000	16,833	0	16,833
TOTAL	\$14,983,497	\$3,690,580	\$10,049,703	\$8,024,301	\$18,074,004

Note:

(1) Thermal Load Mitigation: Implementation 1 budget includes Mill Race Sponsorship (\$200,000) and Cedar Creek Sponsorship (\$250,000).

FY 15-16 Asset Management Capital Project Status and Budget

The AMCP consists of the following three programs:

- Equipment Replacement
- Major Rehabilitation
- Major Capital Outlay

The FY 15-16 budget and status of each program is described below

Equipment Replacement Program - Budget

The FY 15-16 Capital Programs budget includes \$593,300 in Equipment Replacement purchases that are identified on the table below.

Equipment Replacement	
Project Description	FY 15-16 Budget
Fleet Replacement	325,000
Polymer Mixer/Feeders	78,000
W2 Water Strainers	61,300
Electric Motors	55,000
Distiller, Acid Duo Pro	40,000
Pumps	34,000
Total	\$593,300

Fleet Replacement. An assessment of age, mileage, hours of operation, and maintenance costs supports the replacement of an integrated tool carrier (a heavy duty piece of equipment for hauling and handling biosolids), two pickup/utility trucks, and one electric cart.

Polymer Mixer/Feeders. Polymer machines provide chemical addition which is necessary for treatment of sludge at the plant and biosolids facility. This equipment has reached the end of its useful life and needs replacement for ongoing operational reliability.

W2 Water Strainers. The W2 strainers at the treatment plant provide removal of particulate matter from plant process water so it may be reused as seal water, cooling water, irrigation, washdown, and other miscellaneous uses. These reuse applications minimize consumption of potable water.

Electric Motors. An assessment of electric motors is scheduled to identify motors with the least service life remaining. Motors at Willakenzie Pump Station and the plant headworks will likely need replaced.

Acid Duo Pro Distiller. The acid distiller system allows the laboratory to make high purity acids at dramatically reduced costs. This equipment needs replacement for ongoing operational reliability.

Pumps. The heavy solids/secondary scum pumps at the treatment plant are scheduled for replacement. These pumps provide drainage of plant process tankage and conveyance of RV receiving station wastewater.

Major Rehabilitation Program - Budget

The FY 15-16 Capital Programs budget includes \$371,300 for Major Rehabilitation projects that are identified on the table below.

Major Rehabilitation	
Project Description	FY 15-16 Budget
Air Drying Bed Resurfacing (2 beds)	231,300
Willakenzie Pressure Vacuum Relief Valves	90,000
Operations/Maintenance Building Improvements	50,000
Total	\$371,300

Air Drying Bed Resurfacing. The biosolids drying process takes place on 13 asphalt drying beds over a 25 acre area. The beds have been on a rotational schedule for resurfacing to extend their useful life. In FY15-16 two beds will be resurfaced.

Willakenzie Pressure Vacuum Relief Valves. The discharge pressure main from Willakenzie Pump Station includes two air pressure vacuum relief valves. The valves are meant to exhaust large volumes of air from the system when the pressure main is being filled and also to allow air to re-enter the pipe when being emptied. Drain systems for both valves require redesign and construction.

Operations/Maintenance Building Improvements. This expenditure will go towards miscellaneous improvements, repairs, and renovations to improve the functionality and usefulness of existing buildings.

Major Capital Outlay - Budget

The FY 15-16 Capital Programs budget includes \$2,900,000 for two Major Capital Outlay items identified on the table below.

Major Capital Outlay	
Project Description	FY 15-16 Budget
Engine Generator Replacement	2,700,000
Distributed Control System Upgrade/Replacement	200,000
Total	\$2,900,000

Engine Generator. The existing 800 KW engine generator provides about 55% of plant electric power needs and heating water for sludge digestion, building heat, and hot water. This project will replace the existing equipment with greater generation capacity (up to 1.2 megawatts) and replace related electrical and control systems that have reached the end of their useful life.

Distributed Control System Upgrade/Replacement. The regional plants computer system for process monitoring and operation has reached the end of its useful life and requires upgrade or replacement. Funds to be budgeted for this project will support system upgrade or support services for full replacement.

Summary of FY 15-16 AMPC Budget

The following table summarizes the FY 15-16 AMCP program budgets described above.

Asset Management Capital Project Budget Summary	
Capital Project Type	FY 15-16 Budget
Equipment Replacement	593,300
Major Rehabilitation	371,300
Major Capital Outlay	2,900,000
Total	\$3,864,600

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 14-15 Budget that has been carried forward by one year. However, changes to the plan typically occur from year to year as more information becomes available. In addition to these yearly adjustments, RWP staff were further informed by a Partial Facilities Plan Update that was completed in June of 2014. Those changes were reflected in the MWMC FY 14-15 budget and continue forward in the FY 15-16 for the 5-Year Capital Plan.

Exhibit 13 displays the MWMC 5-Year Capital Plan programs budget, which includes \$63,599,004 in planned capital projects and \$11,826,600 in planned asset management capital projects for an overall 5-Year Capital Plan Budget of \$75,425,604.

EXHIBIT 13

Regional Wastewater 5-Year Capital Programs

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	TOTAL
CAPITAL PROJECTS						
Biosolids Management						
Poplar Harvest Management Services	1,265,000	358,000	708,000	370,000	32,000	2,733,000
Non-Process Facilities and Facilities Planning						
Facility Plan Engineering Services	70,000	70,000	70,000	70,000	70,000	350,000
Capacity Mgmt Operations Maint (CMOM)	16,833					16,833
Comprehensive Facility Plan Update		726,000	762,000			1,488,000
Conveyance Systems						
Influent Pumping & Headworks	145,140					145,140
Plant Performance Improvements						
Increase Digestion Capacity	8,645,000					8,645,000
WPCF Lagoon Removal / Decommissioning	4,938,231					4,938,231
Sodium Hypochlorite Conversion	1,039,800					1,039,800
Operations & Maintenance Building Improvements	950,000	6,700,000				7,650,000
Thermal Load Mitigation: Pre-Implementation	210,000	159,000				369,000
Thermal Load Mitigation: Implementation 1	794,000	813,000	4,577,000	4,196,000	2,818,000	13,198,000
Thermal Load Mitigation: Implementation 2				2,000,000	3,000,000	5,000,000
Aeration Basin Improvements - Phase 2				2,900,000	11,400,000	14,300,000
Glenwood Pump Station Upgrades				926,000		926,000
Tertiary Filtration - Phase 2					2,800,000	2,800,000
TOTAL CAPITAL PROJECTS	\$18,074,004	\$8,826,000	\$6,117,000	\$10,462,000	\$20,120,000	\$63,599,004
ASSET MANAGEMENT						
Equipment Replacement	593,300	1,589,300	1,016,000	2,150,500	855,000	6,204,100
Major Rehab	371,300	421,800	792,400	686,000	451,000	2,722,500
Major Capital Outlay	2,900,000					2,900,000
TOTAL ASSET MANAGEMENT	\$3,864,600	\$2,011,100	\$1,808,400	\$2,836,500	\$1,306,000	\$11,826,600
TOTAL CAPITAL IMPROVEMENTS	\$21,938,604	\$10,837,100	\$7,925,400	\$13,298,500	\$21,426,000	\$75,425,604

**REGIONAL WASTEWATER
PROGRAM BUDGET**

**CAPITAL PROGRAM
PROJECT SHEETS**

POPLAR HARVEST MANAGEMENT SERVICES



Description: The Biocycle Farm comprises nearly 400 acres in plantation, which were planted as three successive management units (MUs). The MUs were planted in 2004, 2007, and 2009 and can be harvested at any year prior to the end of the 12th year of growth. This project develops the harvest management regime of the Biocycle Farm through market exploration and refinement of poplar harvest and replanting techniques. The project addresses the initial plantings of the farm’s three MUs and ensures that harvest is completed in each MU within the regulatory 12-year rotation limit as well as subsequent replantings of each MU.

Status: 18% completed. MU-1, comprising 156 acres, is 80% complete with initial harvests of 52 and 72 acres respectively in 2013 and 2014. MU-1 will be fully completed in FY 15-16. Harvest activities within MU-2 could start in FY 15-16.

Justification: Land use regulatory requirement for operation of the Biocycle Farm.

Project Driver: Land Use Compatibility Statement (LUCS) issued by Lane County.

Project Trigger: Oregon ORS/OAR and NRCS rules dictating that exclusive farm use lands and farmed wetland status agricultural lands requiring agriculturally managed hybrid poplar plantations must be limited to 12-year rotation duration.

Project Type: 100% Performance

Improvement SDC Eligibility: 0%

Estimated Project Cost: \$3,033,009 for harvest and administration of the initial plantings across all three MUs.

Estimated Cash Flow: FY 13-14 = \$116,009; FY 14-15 = \$184,000; FY 15-16 = \$1,265,000; FY 16-17 = \$358,000; FY 17-18 = \$708,000; FY 18-19 = \$370,000; FY 19-20 = \$32,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$116,009	\$184,000		\$1,265,000	\$358,000	\$708,000	\$370,000	\$32,000	\$3,033,009
Other	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$116,009	\$184,000		\$1,265,000	\$358,000	\$708,000	\$370,000	\$32,000	\$3,033,009

FACILITIES PLAN ENGINEERING SERVICES



Description: Engineering services for analysis, project definition, cost estimating, and general consultation regarding the 20-Year Facilities Plan.

Status: This year, work focused on assessment of biogas utilization alternatives, which used a Triple Bottom Line approach to inform staff recommendations.

Justification: Projects were developed to varying levels of specificity in the 20-Year Facilities Plan and there is an on-going need for ongoing technical and engineering resources to help in further refining projects and generally assisting with implementation of the plan. Another need addressed by this resource is assurance that the new improvements maintain the overall integrity of the plant in terms of treatment processes and hydraulics. This task also provides ongoing planning work related to items not addressed by the 2004 MWMC Facilities Plan.

Project Driver: Ongoing goal to efficiently follow and accommodate the upgrades resulting from the 20-Year Facilities Plan.

Project Trigger: On-going need.

Estimated Project Cost: \$863,639

Estimated Cash Flow: FY 06-07 = \$50,000; FY 07-08 = \$50,044; FY 08-09 = \$25,467; FY 09-10 = \$31,829; FY 10-11 = \$69,419; FY 11-12 = \$8,699; FY 12-13 = \$36,690; FY 13-14 = \$146,491; FY 14-15 = \$95,000; FY 15-16 = \$70,000; FY 16-17 = \$70,000; FY 17-18 = \$70,000; FY 18-19 = \$70,000; FY 19-20 = \$70,000

<u>Expenditure/Category:</u>	<u>Prior Years</u>	<u>2014-15</u> <u>Est. Act.</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>Total</u>
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$418,639	\$95,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$863,639
Total Cost	\$418,639	\$95,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$863,639

CAPACITY MANAGEMENT, OPERATIONS, AND MAINTENANCE (CMOM)



Description:

This project (formerly identified as the WWFMP Update project) supports and guides ongoing collection system capacity management, operations and maintenance (CMOM) programs to address Inflow and Infiltration (I/I) and sanitary sewer overflows (SSO's). The MWMC's NPDES permit requires wet weather planning and prohibits SSOs. DEQ's SSO Enforcement Internal Management Directive identifies CMOM as an acceptable programmatic approach to help ensure compliance. The MWMC's CMOM program provides staff resources and engineering consultant services to support the implementation of CMOM programs owned and operated by the two partner cities within the MWMC's service area (i.e., Eugene and Springfield). The effort funded through this project provides or supports workshop organization and facilitation, guidance development and documentation, technical analysis, standards establishment, and CMOM gap analysis assistance.

Status:

Last year, both partner cities completed a CMOM gap analyses to identify the needed effort to implement their respective CMOM programs. In addition, the Regional Wastewater Policy Team approved the MWMC's Regional CMOM Framework and guidance documents. This year, the MWMC adopted the Regional CMOM Framework document and the Consultant, CH2M Hill, reviewed the two cities' CMOM Gap Reports. The consultant's feedback was then reviewed by each city and their responses were discussed. That feedback was incorporated into the planning framework. Each city is now working on CMOM Implementation Plans based on the results of the gap analysis process.

Project Driver:

Meet new NPDES requirements concerning SSOs, wet weather planning, and I/I reduction through a CMOM program approach.

Project Trigger:

Address NPDES Permit General Conditions requirements related to SSOs and inflow and infiltration.

Improvement SDC Eligibility:

11%

Estimated Project Cost:

\$532,000

Estimated Cash Flow:

FY 05-06 = \$6,028; FY 06-07 = \$86,895; FY 07-08 = \$42,589; FY 08-09 = \$9,562
 FY 09-10 = \$14,724; FY 10-11 = \$7,538; FY 11-12 = \$26,909; FY 12-13 = \$123,251; FY 13-14 = \$91,671; FY 14-15 = \$106,000; FY 15-16 = \$16,833

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$409,167	\$106,000	\$16,833	\$0	\$0	\$0	\$0	\$0	\$532,000
Total Cost	\$409,167	\$106,000	\$16,833	\$0	\$0	\$0	\$0	\$0	\$532,000

COMPREHENSIVE FACILITIES PLAN



Description: This will be the first MWMC Comprehensive Facilities Plan since the 2004 MWMC Facilities Plan. This Comprehensive Facilities Plan effort will consider a 20-year planning horizon and will draw on the most recent plant data, current regulatory landscape, and available technology in order to ensure the MWMC continues to meet future regulations, environmental standards, and customer needs.

Status: Planned for future implementation.

Justification: Plan future conveyance and treatment upgrades and/or expansions to meet regulatory requirements, preserve public health and regional water quality standards.

Project Driver: Provides comprehensive facilities planning to develop the capital program for the upcoming 20-year period once the MWMC receives new regulatory requirements under the next NPDES permit renewal.

Project Trigger: Planning cycle initiated under the 2004 Facilities Plan and later modified to match evolving NPDES permit renewal schedule, now estimated for 2017.

Project Type: Facilities Plan

Improvement SDC Eligibility: 21%

Estimated Project Cost: \$1,488,000

Estimated Cash Flow: FY 16-17 = \$726,000; FY 17-18 = \$762,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$726,000	\$762,000	\$0	\$0	\$0	\$1,488,000
Total Cost	\$0	\$0	\$0	\$726,000	\$762,000	\$0	\$0	\$0	\$1,488,000

INFLUENT PUMPING IMPROVEMENTS AND HEADWORKS EXPANSION



Description: This project provides influent pumping improvements and headworks expansion required to accommodate planning through year 2025 peak wet weather flow of 277 mgd. Major components include: upgrades to the Willakenzie Pump Station, expansion of the headworks facilities with new screening and grit removal equipment, a new Influent Pump Station at the Water Pollution Control Facility (WPCF), improvements to the regional force main system at two off-site locations, and landscaping upgrades.

Status: Construction was completed by Wildish at the end of 2009 with some punch list items addressed in year 2010. The remaining budgeted project money will help fund improvements to an influent gate system in 2015 and follow up inspection in 2015 of the pipe-liner (warranty work).

Justification: Improved influent pumping and headworks hydraulic capacity are required to increase total plant influent hydraulic capacity to 277 mgd (the forecasted year 2025 peak flow) and to meet redundancy requirements for pumping and screening.

Project Driver: Ability to provide treatment to peak flow of 277 mgd by January 1, 2010.

Project Trigger: Increase treatment capacity: The 2009 upgrades increased the headworks hydraulic capacity from 175 mgd to 277 mgd (peak flows).

Project Type: 100% Capacity

Improvement SDC Eligibility: 38%

Estimated Project Cost: \$28,161,748

Estimated Cash Flow: FY 05-06 = \$16,348; FY 06-07 = \$376,293; FY 07-08 = \$2,132,064; FY 08-09 = \$9,644,009; FY 09-10 = 14,950,783; FY 10-11 = \$482,947; FY 11-12 = \$135,300; FY 12-13 = \$12,205; FY 13-14 = \$41,659; FY 14-15 = \$225,000; FY 15-16 = \$145,140

Expenditure/Category:	Prior Years	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est. Act.						
Design/Construction	\$27,791,608	\$225,000	\$145,140	\$0	\$0	\$0	\$0	\$28,161,748
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$27,791,608	\$225,000	\$145,140	\$0	\$0	\$0	\$0	\$28,161,748

INCREASE DIGESTION CAPACITY



- Description:** Installation of a fourth digester for expanded production of Class B biosolids. This project also included supporting the plant-wide landscaping construction work that was completed in December of 2012.
- Status:** As of January 14, 2015, the project to Increase Digestion Capacity is in the pre-design phase and the MWMC hired a design consultant. The MWMC has three existing digesters.
- Justification:** Continue to meet the requirements for Class B digestion with the ability to take one digester out of service for cleaning and/or repairs.
- Project Driver:** Addresses the need for anaerobic digestion capacity. The 2004 MWMC Facilities Plan considers an option to upgrade the existing digestion process to meet Class A biosolids standards as a strategy to secure a wider range of beneficial end-use options and increase program flexibility. Since that time, the MWMC has effectively expanded beneficial application of Class B biosolids with expansion of the Biocycle Poplar Farm, and through working with private sector end-users.
- Project Trigger:** Estimates indicate that expanded digestion facilities will be needed by 2017 or 2018. The design phase is starting in 2015.
- Improvement SDC Eligibility:** 54.3%
- Estimated Project Cost:** \$9,353,170 (funding for administration, design, permits, construction, etc.)
- Estimated Cash Flow:** FY 11-12 = \$139,028; FY 12-13 = \$44,142; FY 13-14 = \$0; FY 14-15 = \$525,000
 FY 15-16 = \$1,394,000; FY 16-17 = \$2,755,000; FY 17-18 = \$4,152,000;
 FY 18-19 = \$344,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$183,170	\$525,000	\$8,645,000	\$0	\$0	\$0	\$0	\$0	\$9,353,170
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$183,170	\$525,000	\$8,645,000	\$0	\$0	\$0	\$0	\$0	\$9,353,170

WPCF ONSITE LAGOON



- Description:** This project decommissions the existing biosolids lagoon at the Water Pollution Control Facility (WPCF) and adds solids handling facilities to manage biosolids during digester cleaning events.
- Status:** As of January 14, 2015: The project is in pre-design phase. The MWMC hired a consultant in December of 2014 to create a bid package for this project and for the increase digestion capacity project.
- Justification:** The lagoon was constructed in 1979 as a temporary biosolids storage facility while the Biosolids Management Facility was under construction. Since that time it has also served as a temporary storage lagoon to support digester cleaning operations. However, the lagoon no longer serves the purpose for which it was originally constructed and does not meet current design standards for wastewater lagoons.
- Project Driver:** The lagoon can no longer provide the biosolids capacity for which it was intended nor cost effectively continue to support digester cleaning operations. The lagoon is almost full of accumulated rainwater and residual solids. Therefore, the decision was made to decommission the lagoon and provide up to date facilities to support digester cleaning operations.
- Project Trigger:** The WPCF lagoon no longer functions as originally designed.
- Estimated Project Cost:** \$5,000,000 (funding for administration, design, permits, construction, etc.)
- Improvement SDC Eligibility:** Not applicable
- Estimated Cash Flow:** FY 13-14 = \$1,769; FY 14-15 = \$60,000; FY 15-16 = \$390,000; FY 16-17 = \$1,460,000; FY 17-18 = \$3,088,231

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$1,769	\$60,000	\$4,938,231	\$0	\$0	\$0	\$0	\$0	\$5,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$1,769	\$60,000	\$4,938,231	\$0	\$0	\$0	\$0	\$0	\$5,000,000

SODIUM HYOCHLORITE CONVERSION



Description: Convert the chlorine gas system to sodium hypochlorite for the base and wet weather flows. Retain the existing chlorine contact basins for the disinfection process. Install new system with capability for high rate disinfection of primary effluent diversion using dosages of sodium hypochlorite into a new contact basin structure. The new contact basin has been split off of this project and was installed by a different MWMC project (Peak Flow Management Improvements), so the budget for that portion of the project has also been moved. Some of the project funding supported the treatment plant landscape upgrades.

Status: The converted disinfection system has been in operation since March of 2010 but the chemical injection/mixing system has never been accepted due to performance issues.

As of January 16, 2015: Staff responded to the construction contractor submittal package related to changing the chemical injection and mixing system. On January 7, 2015, staff requested a contractor/supplier work plan and 2015 schedule to complete the construction contract work.

Justification: Liquid sodium hypochlorite and sodium bisulfite system will replace the existing chlorine and sulfur dioxide gas systems and increase the disinfection capacity from 175 mgd to 277 mgd (peak flows). The high rate disinfection of the primary effluent is a key component of the primary/secondary split treatment process, which is needed for meeting peak flow capacity needs of the wastewater treatment plant.

Project Driver: Operator and community safety issues and meeting flow capacity requirements for peak flows and year around final treatment/disinfection.

Project Trigger: Phasing with other related MWMC projects and the need to meet peak flow treatment requirements.

Project Type: 50% Capacity; 50% Performance

Improvement SDC Eligibility: 25%

Estimated Project Cost: \$5.8 million (reduced from past budgeting)

Estimated Cash Flow: FY 06-07 = \$1,353; FY 07-08 = \$594,520; FY 08-09 = \$3,319,347; FY 09-10 = \$(102,501); FY 10-11 = \$180,326; FY 11-12 = \$385,289; FY 12-13 = \$187,976; FY 13-14 = \$21,890; FY 14-15 = \$172,000; FY 15-16 = \$1,039,800

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$4,588,200	\$172,000	\$1,039,800	\$0	\$0	\$0	\$0	\$0	\$5,800,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$4,588,200	\$172,000	\$1,039,800	\$0	\$0	\$0	\$0	\$0	\$5,800,000

OPERATIONS & MAINTENANCE BUILDING IMPROVEMENTS



Operations Building



Maintenance Building
Aerial



Maintenance Building



ISC Modular Building

Description: This project will update and expand the Operations and Maintenance (O&M) support facilities at the Water Pollution Control Facility (WPCF). The support facilities to be evaluated include the Maintenance Building, Operations Buildings (including laboratory space), and the temporary Industrial Source Control (ISC) building. The upgrades may include new structures in addition to renovations to the existing structures.

Status: As of January 12, 2015: The MWMC has hired a consultant team to provide architectural and engineering services. The project is in the pre-design (architectural programming) phase to develop a short-list of alternatives for consideration before implementing the design based on a preferred alternative/solution. The architectural programming phase will also include evaluation of the existing laboratory space. After an alternative has been selected, the design consultant will work together with staff to finalize the bid package(s), obtain permits and procure construction contractor(s).

Justification: The original design for the O&M Buildings at the WPCF was completed in the late 1970s. Since that time, use of the O&M Buildings have changed substantially due to modifications in the workforce, advancing technology, regulatory changes, and an increase in staff to support additional facilities. Building codes, such as seismic standards, have also changed during this time, necessitating upgrades. Lastly, the ISC modular building was installed as a temporary structure in 1996 and has since reached the end of its useful life.

Project Driver: The need to update and/or replace the existing O&M support facilities is driven by the need to provide a safe and efficient work environment for WPCF staff. Many of these changes stem from a changing wastewater/environmental business since the MWMC original construction that occurred in the early 1980's.

Project Trigger: As needed, due to expansion and changes related to the MWMC facilities and safety.

Estimated Project Cost: Estimated project costs are being determined during the project architectural programming phase. For budgeting purposes, the current cost estimate of \$8 million is based on the scope items listed below, past planning studies and current best information. Staff plans to update the Commission as the project team develops the short-list of alternatives with cost estimating in 2015. Project scope of work includes: Maintenance Building improvements, Admin/Operations Building improvements, Modular Building replacement, Water Quality Laboratory Upgrades.

Improvement SDC Eligibility: To be determined

Estimated Cash Flow: FY 14-15 = \$350,000; FY 15-16 = \$625,000; FY 16-17 = \$3,655,000; FY 17-18 = \$3,300,000; FY 18-19 = \$70,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$0	\$350,000	\$950,000	\$6,700,000	\$0	\$0	\$0	\$0	\$8,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$350,000	\$950,000	\$6,700,000	\$0	\$0	\$0	\$0	\$8,000,000

THERMAL LOAD MITIGATION PRE-IMPLEMENTATION



Description: This project includes the study and planning of thermal load mitigation measures including recycled water feasibility studies, shading and water quality trading credit development, and associated permit negotiation and legal strategy related to the temperature TMDL and NPDES permit renewal.

Status: Two of three planned phases of thermal load strategy planning have been completed. The third phase of study will be underway in FY 15-16 along with ongoing permit and TMDL compliance coordination and development of water quality trading partnerships and riparian shade projects.

Justification: Provides planning of infrastructure, projects, and collaborative agreements needed so that thermal loads are reduced on the Willamette River while providing additional environmental and community benefits.

Project Driver: Address NPDES permit thermal load compliance related to Willamette River total maximum daily loads (TMDL) temperature requirements.

Project Trigger: Planning necessary for ongoing compliance with Oregon’s temperature standard

Project Type: 100% Performance

Improvement SDC Eligibility: 26%

Estimated Project Cost: \$750,000

Estimated Cash Flow: FY 13-14 = \$ 295,995; FY 14-15 = \$85,000; FY 15-16=\$210,000; FY 16-17=\$159,000

<u>Expenditure/Category:</u>	<u>Prior Years</u>	<u>2014-15</u>		<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>Total</u>
		<u>Est.</u>	<u>Act.</u>						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$295,995	\$85,000	\$210,000	\$159,000	\$0	\$0	\$0	\$0	\$749,995
Total Cost	\$295,995	\$85,000	\$210,000	\$159,000	\$0	\$0	\$0	\$0	\$749,995

THERMAL LOAD MITIGATION – IMPLEMENTATION 1



Description: This project implements thermal load mitigation projects strategized for regulatory compliance and additional environmental and community benefits. The projects may include recycled water use expansion at MVMC facilities and/or extension of recycled water services to community partners, water quality trading credit strategies through shade credit investments, and collaborative partnerships for permit compliance. The recycled water projects may include additional treatment, disinfection, pumping, pipeline, and distribution/irrigation systems.

Status: Riparian shade projects are currently being implemented under a 25-year contract agreement with The Freshwater Trust. Additional project opportunities are being evaluated for future implementation under the Thermal Load Mitigation: Pre-Implementation Project.

Justification: Meet future thermal load permit limits and improve water quality. Implementation of the thermal load compliance strategy developed under pre-implementation planning phase.

Project Driver: Address NPDES permit thermal load compliance related to Willamette River total maximum daily loads (TMDL) temperature requirements.

Project Trigger: Project implementation necessary for ongoing compliance with Oregon's temperature standard

Project Type: 100% Performance

Improvement SDC Eligibility: 26%

Estimated Project Cost: \$13,300,925

Estimated Cash Flow: FY 13-14 = \$78,925; FY 14-15 = \$24,000; FY 15-16 = \$794,000; FY 16-17 = \$813,000; FY 17-18 = \$4,577,000; FY 18-19 = \$4,196,000; FY 19-20 = 2,818,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$78,925	\$24,000	\$794,000	\$813,000	\$4,577,000	\$4,196,000	\$2,818,000	\$13,300,925	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost	\$78,925	\$24,000	\$794,000	\$813,000	\$4,577,000	\$4,196,000	\$2,818,000	\$13,300,925	

THERMAL LOAD MITIGATION – IMPLEMENTATION 2



Description: This project anticipates future expansion of recycled water uses, riparian restoration, and/or other thermal load and watershed management strategies for regulatory compliance and environmental and community benefits. These projects are subject to the outcomes of the regulatory scenarios and goals associated with changing conditions of total maximum daily loads (TMDL) implementation, community and climatic factors, and emerging water quality/quantity needs.

Status: To be planned.

Justification: Ongoing fulfillment of thermal load mitigation strategic plans.

Project Driver: Address NPDES permit thermal load compliance related to Willamette River TMDL temperature requirements, other emerging water quality regulatory drivers, and community needs.

Project Trigger: Compliance with NPDES discharge permit.

Project Type: 100% Performance

Improvement SDC Eligibility: 26%

Estimated Project Cost: \$5,000,000 (plus up to \$12,000,000 anticipated project need in the out-years FY 20-21 and beyond for a total project cost of \$17,000,000).

Estimated Cash Flow: FY 18-19 = \$2,000,000; FY 19-20 = \$3,000,000

<u>Expenditure/Category:</u>	<u>Prior Years</u>	<u>2014-15</u> <u>Est. Act.</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>Total</u>
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$3,000,000	\$5,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$3,000,000	\$5,000,000

AERATION BASIN IMPROVEMENTS – PHASE 2



Description: Aeration Basin (Phase 2): Add step feed, anoxic selectors, and fine bubble diffusers to 4 of the 8 cells of the aeration basins and make hydraulic improvements. This project was originally the North Aeration Basin Improvements project; however the Phase 1 study/design phase showed that improvements to the four eastern most basins as a first phase would allow for better hydraulics and more operational flexibility.

Status: The Aeration Basin (Phase 2) project is anticipated to start design development in 2018 with consultant services.

Justification: Increase the dry weather aeration basin treatment capacity with respect to ammonia (with nitrification) and increase the wet weather treatment capacity.

Project Driver: National Pollution Discharge Elimination System (NPDES) permit includes ammonia limit requiring nitrification in dry weather and expansion of wet weather capacity to treat wet weather flows to meet NPDES permit monthly and weekly suspended solids limits.

Project Trigger: Address water quality requirements (need to evaluate the requirements based on the MWMC NPDES permit renewal). The MWMC Partial Facilities Plan Update document dated June 2014 recommended moving the initial budget year to FY 18-19 as shown below.

Project Type: 50% Capacity; 50%Performance

Improvement SDC Eligibility: 58.7%

Estimated Project Cost: \$14,300,000 (funding for administration, design, permits, construction, etc.)

Estimated Cash Flow: FY 18-19 = \$1,500,000; FY 19-20 = \$6,100,000; FY 20-21 = \$5,900,000; FY 21-22 = \$800,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900,000	\$11,400,000	\$14,300,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900,000	\$11,400,000	\$14,300,000

GLENWOOD PUMP STATION UPGRADE



Description: Expand Glenwood pump station capacity. The existing pump station is built to be expandable in capacity when the need arises. Two pumps are installed with the expandability to add up to two additional pumps when needed.

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: Keep up with capacity needs, maintain required pumping redundancy, and prevent overflows upstream of the Glenwood pump station.

Project Trigger: Planning work in 2014 anticipates that a third pump to increase capacity should be operational by about year 2019. The timing will be impacted by the rate and type of development in the area and efforts to minimize infiltration and inflow that impact the Glenwood pump station. The MWMC Partial Facilities Plan Update document dated June 2014 recommended moving the initial budget year to FY 18-19 as shown below.

Project Type: 100% Capacity

Improvement SDC Eligibility: 38%

Estimated Project Cost: \$926,000 (funding for administration, design, permits, construction, etc.)

Estimated Cash Flow: FY 18-19 = \$864,000; FY 19-20 = \$62,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$926,000	\$0	\$926,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$926,000	\$0	\$926,000

TERTIARY FILTRATION – PHASE 1



Description: The phased work program will install 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.

Status: Tertiary Filtration (Phase 2) project is anticipated to start design development in fiscal year 19-20. The MWMC has an existing equipment agreement (ending October 2017) to allow for additional filtration equipment at a defined price.

Justification: The 2004 MWMC Facilities Plan proposes phasing filters on a phased work program. Filtration provides high quality secondary effluent to help meet permit requirements and potential Level 4 reuse water.

Project Driver: Performance reliability to meet the dry weather NPDES total suspended solids limits of less than 10 mg/L, 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. The MWMC Partial Facilities Plan Update document dated June 2014 recommended moving the initial budget year to FY 19-20 as shown below.

Improvement SDC Eligibility: 41.6%

Estimated Project Cost: \$11,400,000 (funding for administration, design, permits, construction, etc.)

Estimated Cash Flow: FY 19-20 = \$1,550,000; FY 20-21 = \$4,650,000; FY 21-22 = \$5,200,000

Expenditure/Category:	Prior Years	2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,800,000	\$2,800,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,800,000	\$2,800,000

REGIONAL WASTEWATER
PROGRAM BUDGET

ACRONYMS AND
EXPLANATIONS

**BUDGET DOCUMENT
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.

ARRA – American Reinvestment and Recovery Act. This funding was part of the federal government’s economic stimulus program and issued loans under favorable conditions to stimulate infrastructure and capital project investment.

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.

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.