

ADMINISTRATIVE ORDER NO. 58-25-16-F
of the
City Manager of the City of Eugene

**AMENDING THE STORMWATER USER FEE SCHEDULE TO
GENERATE APPROXIMATELY \$4.7 MILLION IN NEW STORMWATER
FEE REVENUE ANNUALLY UNTIL JULY 1, 2031; AND SUPERSEDING
THE FEE SCHEDULE ADOPTED ADMINISTRATIVE ORDER NO. 58-25-
03-F.**

The City Manager of the City of Eugene finds as follows:

A. Section 6.411 of the Eugene Code, 1971 (EC), authorizes the City Manager to determine and set fees and charges to be imposed by the City for wastewater service, regional wastewater service, and stormwater service. With respect to stormwater service, the most recent action taken pursuant to that authority was through Administrative Order No. 58-25-03-F.

B. In June 2024, the Eugene City Council adopted Ordinance No. 20710, an ordinance that amended the Eugene Code to enable the City to pay for the costs of operation and maintenance of City parks and open space through an increase in stormwater user fees.

C. Since November 2024, the operation and maintenance of City parks and open space has been partially funded through stormwater user fees, but approximately \$4.7 million in City parks and open space expenditures remain in the City's General Fund.

D. At its May 21, 2025, work session, the Eugene City Council directed me to initiate a stormwater fee amendment process that proposes a fee increase to generate approximately \$4.7 million in new stormwater fee revenue annually, until July 1, 2031.

E. On June 12, 2025, I issued Administrative Order No. 58-25-16 ordering that notice be given of the opportunity to submit comments on a specific proposal to raise stormwater user fees. The notice was posted and published, specifying that comments on the proposed rates could be submitted orally at the public hearing on July 7, 2025, or in writing until 5 p.m. on July 7, 2025. Comments received during the public comment period are addressed in the City Manager's Findings Supporting Proposed Fees, attached as Exhibit B to this Order.


F. Based on my investigation pursuant to the provisions of EC 6.411(1) and after considering the public comments, I find that the fees should be set as proposed with the fee increases to be effective for all bills issued on or after August 1, 2025, and that the stormwater user fee increases adopted by this Order should be considered as part of Stormwater User Fee Schedule amendments in 2031 to reduce the stormwater user fees by a like amount for bills issued on or after July 1, 2031.

On the basis of these findings, I order that:

1. A copy of this Order shall promptly be forwarded to the Mayor and City Councilors.
2. The Stormwater User Fee Schedule attached as Exhibit A to this Order is the schedule of fees to be charged for the described services effective for all bills issued on or after August 1, 2025.
3. The Stormwater User Fee Schedule attached to Administrative Order No. 58-25-03-F is superseded by the Stormwater User Fee Schedule attached as Exhibit A to this Order effective for all bills issued on or after August 1, 2025.
4. Unless reviewed by the Council pursuant to EC 6.411(1)(f), this Order shall become final on the 11th day after the date it is rendered.


Mark Rodriguez (Jul 10, 2025 14:09 PDT)

Dated this 10th day of July, 2025.



Sarah Medary, City Manager

Unless reviewed by Council pursuant to EC 6.411(1)(f), this Order becomes final on July 21, 2025.

STORMWATER USER FEE SCHEDULE
(Effective for all bills issued on or after August 1, 2025)

Stormwater User Fees are determined based on the user category. All users other than single-family dwellings and duplexes are in the Commercial/Industrial category. The fee for a single-family dwelling is determined based on the following three categories:

1. Small Residential. Building footprint is equal to or less than 1,000 square feet.
2. Medium Residential. Building footprint is greater than 1,000 square feet and less than 3,000 square feet.
3. Large Residential. Building footprint is 3,000 square feet or greater.

The fee for a duplex is calculated as follows: The administrative portion of the fee is the same as the fee for a single-family dwelling with the same building footprint; the street-related portion of the fee is twice the amount for a single-family dwelling with the same building footprint; and the charge for impervious surface is the same as for a single-family dwelling if the duplex has a vertical configuration and twice that rate if the duplex has a horizontal configuration.

The term “per 1,000 sf” refers to square feet of impervious surface area.

	Small Residential	Medium Residential	Large Residential	Commercial/Industrial
Impervious Surface:	\$11.68	\$18.82	\$6.49 per 1,000 sf	\$6.49 per 1,000 sf
Street-Related:	\$3.26	\$3.26	\$3.26	\$2.31 per 1,000 sf
Administrative:	\$0.93	\$0.93	\$2.99	\$2.99
Total Monthly Fee:	\$15.87	\$23.01	Varies	Varies

<u>Application Fees:</u>	<u>Fees</u>
Reduction or Elimination of Discharge	\$150.00
Reduction of Impervious Area:	
Small or Medium Residential Customer	\$50.00
General Customer	\$100.00

CITY MANAGER'S FINDINGS

Stormwater Fee Schedule Amendments

In June 2024, the City Council amended the Eugene code to enable the city to pay for the costs of operation and maintenance of City parks and open spaces through the stormwater user fee program. A portion of the operation and maintenance costs for City parks and open spaces was then shifted into the stormwater user fee program, but approximately \$4.7 million in City parks and open space expenditures remain in the City's General Fund. On May 21, 2025, the City Council directed the City Manager to initiate a stormwater fee amendment process that proposes a fee increase to generate approximately \$4.7 million in new stormwater fee revenue annually, until July 1, 2031. In response to the City Council's direction and based on the following findings, Administrative Order No. 58-25-16-F increases the stormwater user fee by 18%, effective August 1, 2025.

1) The amount charged for such service in the past.

Findings: Prior to June 2024, parks and open space services were not included in stormwater user fee rates. Historically parks and open space services were funded primarily by the City's General Fund (i.e. property tax revenues). On June 24, 2024, the City Council adopted an ordinance to amend the definition of "stormwater service" to include operation and maintenance of city-owned parks and open space. A 5% rate increase was implemented in February 2025 to allow for a portion of city-owned parks and open space services to be funded from the stormwater fee. Subsequently, in June 2025, the City Council passed a motion directing the City Manager to initiate the process to increase stormwater user fees by \$4.7 million (annually) so that the property tax funded General Fund would no longer be used to pay for the operation and maintenance of City parks and open spaces. This results in an 18% increase in stormwater user fees as shown here.

	Small Residential	Medium Residential	Large Residential	Commercial/Industrial
Current Impervious Surface:	\$9.90	\$15.95	\$5.50 per 1,000 sf	\$5.50 per 1,000 sf
Proposed fees:	\$11.68	\$18.82	\$6.49 per 1,000 sf	\$6.49 per 1,000 sf
Current Street-Related:	\$2.76	\$2.76	\$2.76	\$1.96 per 1,000 sf
Proposed fees:	\$3.26	\$3.26	\$3.26	\$2.31 per 1,000 sf
Current Administrative:	\$0.82	\$0.82	\$2.57	\$2.57
Proposed fees:	\$0.93	\$0.93	\$2.99	\$2.99
Current Total Monthly Fee:	\$13.48	\$19.53	Varies	Varies
Proposed fees:	\$15.87	\$23.01	Varies	Varies

2) Applicable federal or state regulations or conditions imposed as part of a federal or state grant or financial assistance agreement.

Findings: This factor is inapplicable. There are no relevant federal or state regulations or conditions imposed as part of a federal or state grant or financial assistance agreement.

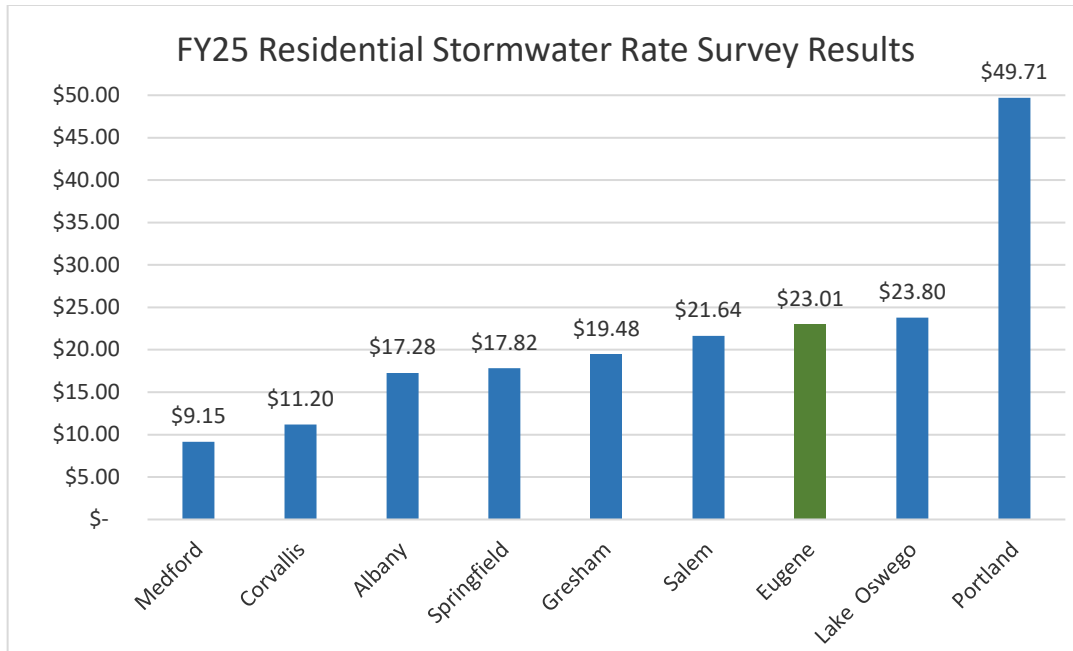
3) The amounts charged or proposed to be charged by the City of Springfield and other providers of stormwater services for comparable services.

Findings: Several other cities in Oregon have established a user fee for City parks, as a stand-alone fee or in combination with other services.

1. The City of Gresham established a Police, Fire and Parks Fee of \$15 per month, for single-family households, multi-family property owners and businesses to help maintain these services.
2. The City of Medford established a Park Utility Fee of \$5.35 per month per dwelling to generate funds for maintenance of City park land.
3. The City of Tigard established a park and recreation fee of \$9 per single family residential customer to generate funds for these combined services.
4. The City of Tualatin established a parks fee at \$5 per dwelling unit to maintain, repair or restore City parks.

The City of Springfield does not operate or maintain parks, it relies on Willamalane Park and Recreation District to operate and maintain parks within the City of Springfield.

The annual survey includes cities that are regulated under the Stormwater MS4 permit program. Within this type of permit, there is an important distinction. "MS4 Phase I permittees," like Eugene, tend to represent larger and more densely populated areas and must meet additional obligations that are not required of the smaller "MS4 Phase II permittees." The table below reflects that the rates for Medford, Corvallis, Springfield, and Albany, which are all MS4 Phase II permittees, are on the lower end of the range. All others in the table are MS4 Phase I permittees and their stormwater programs are more comparable to Eugene's, except for Portland which, in many older areas of the city, operates a combined wastewater and stormwater system, so the programs are not comparable in scope. The proposed fee increase would result in a stormwater user fee for the typical medium residential household of \$23.01 for both stormwater and parks and open space services which is still in line with other comparable MS4 Phase I permittees.



- 4) The revenue needed to pay for the direct and indirect expected costs of constructing, operating, maintaining, and replacing local and regional stormwater facilities based on the adopted budgets of the city of Eugene, the debt obligations of the city or other entities for construction of the facilities, adopted capital improvement plans of the council, the expected need for financial reserves and contingencies, and other sources of revenue.

Findings: This factor is inapplicable. This fee increase relates only to the direct and indirect expected costs of operating and maintaining the City's parks and open spaces. See Section 6, below.

- 5) For an individual stormwater service customer that discharges stormwater that requires extraordinary expense to the city, special surcharge rates based on the type, concentration, quantity, quality and frequency of the discharge.

Findings: This factor is inapplicable. This fee increase relates only to the expected costs of operating and maintaining the City's parks and open spaces.

- 6) Other relevant adopted policies of the council.

Findings: As part of Ordinance No. 20710, the City Council adopted a policy requiring that the stormwater service ratemaking process include consideration of the revenue needed to pay for the direct and indirect expected costs to operate and maintain city-owned parks and open spaces. I have considered the personnel costs, the costs of materials and supplies, and the other expenses required to operate and maintain the City's parks and open spaces which are, on an annual basis, approximately \$5,827,000. Stormwater fees are currently set to address \$1,100,000 of those costs and expenses, leaving \$4,727,000 in annual costs to be addressed with this amendment.

7) The terms of any applicable intergovernmental agreement relating to stormwater services or regional stormwater treatment service.

Findings: This factor is inapplicable. There are no intergovernmental agreements relating to stormwater (park and open space) services.

8) The obtaining of equity between different classes of customers so that one class of customers does not pay more than its proportionate share of the expenses of providing sewer service.

Findings: The different user categories for stormwater fees are designed to ensure fair and equitable distribution of costs based on the property's contribution to stormwater runoff which is calculated using impervious surface area and factors in eligible reductions. With the expansion of the stormwater definition to include the operation and maintenance of parks and open space, these additional costs are being allocated consistently using the same impervious surface calculation method. There are two main classes of stormwater fees: residential and commercial/industrial. Smaller residences typically have less impervious area, generating a smaller fee. Large residential customers and commercial/industrial customers are billed their impervious area multiplied by the rate per 1,000 square feet of impervious area. Larger residences and businesses therefore pay a larger fee to maintain and operate stormwater and parks and open space services.

9) In addition to the forgoing considerations, in determining the amounts or rates to be charged for stormwater service, the city manager shall consider the value of the use and occupancy of the city's right-of-way by the city stormwater system.

Findings: This factor is inapplicable to the component of stormwater user fees that pertain only to the operation and maintenance of parks and open spaces.

RESPONSE TO PUBLIC COMMENTS

During the comment period, the City received four written comments regarding the proposed amendments to the Stormwater Fee Schedule. There were also three comments that were submitted orally at the public hearing. A summary of the comments received, and findings addressing the comments, are set out below:

Comments Received at Public Hearing:

- Nancy Pierce – Comments related to the proposed fee raised concerns that the connection between the City's stormwater system and the operation and maintenance of City parks and open spaces is not obvious, so that payers will not be well-informed that the stormwater fees pay for parks and open spaces. For this reason, she doesn't like connecting these services with stormwater.

Response: In June 2024, the Eugene City Council adopted an ordinance that amended the Eugene Code to enable the city to pay for the costs of operation and maintenance of City parks and open space with stormwater user fees. Notice and an opportunity for the public to comment in writing or at a public hearing was provided for that 2024 action. There has also been notice and an opportunity for the public to provide comments on this fee increase, which directed interested parties to the City's website, including the Order that explains this increase is specifically intended to address the revenue needs for

operating and maintaining City parks and open spaces. City staff will continue to be available to address payor questions about the nature of the fees.

- Elisa Crawford – Comments related to the proposed fee express opposition to the fee increase because she is dissatisfied with the level of stormwater service provided to two Eugene properties she owns and the surrounding neighborhoods. She asks whether there will be additional notice before the adoption of the fees and whether there will be an effort by the City to ascertain the level of stormwater services that exist across the City (e.g. through open waterways vs pipes).

Response: All developed properties in Eugene pay stormwater fees to support services that provide clean water, flood protection and healthy habitat for fish and wildlife, and parks and open spaces. The fee increase at issue relates solely to the support of parks and open spaces. With respect to the existing fees that support the collection and treatment of stormwater, all properties are served by the City's system and the City's fees are not based on a property-by-property analysis of impact and services received. There are many components to the stormwater program. When it rains in Eugene, water hits roofs, lawns, sidewalks and streets, and picks up oil from cars, sediment, bacteria, grease, and other chemicals associated with urban life. Instead of soaking into the ground (nature's natural filter in non-urban areas), these contaminants are carried along streets and through underground storm pipes, culverts and roadside ditches, discharging directly into Amazon Creek or the Willamette River. Pipes and culverts catch leaves, sediment and litter and must be cleaned regularly. Green infrastructure such as vegetated swales and rain gardens have been installed to provide treatment for stormwater runoff in some areas and must also be maintained. Street sweeping, leaf pick up, piped system cleaning, and vegetation maintenance of rain gardens are just a few of the stormwater operations that the city provides to maintain this system. In addition to protecting clean water and healthy habitat, a functioning stormwater system also reduces the risk of flooding.

The public notice and opportunity for comment on this fee increase is now complete. I have considered all comments received and reviewed the findings.

- Bob Siegmund – (reading from letter he also mailed to City) Comments related to the proposed fee oppose the fee because the fees keep going up and he believes the fee is a tax that avoids tax limitations. He also opposes the fee because he sees no nexus between the stormwater fee and parks and open space or other City services. He feels that the fee is particularly difficult for seniors.

Response: See findings and responses, above, regarding the basis for the fee and the inclusion of parks and open space costs in stormwater user fees. Stormwater user fees are not subject to Oregon's constitutional limits on taxation. They are based on the use of property, they are not imposed based on property ownership.

Comments Received via E-mail:

- Dick Beers – Comments related to proposed fee raised concerns that, as an aging senior citizen, he can no longer afford the cost of higher utilities.

Response: The City of Eugene partners with the customer care program administered by the Eugene Water and Electric Board for low-income assistance and encourages citizens to apply to the program.

- Daphne Brown – Comments related to proposed fee raised concerns that the fee does not include an exemption for people who have paid for “rain gardens” to address stormwater. She is dissatisfied with the stormwater system in her area and believes others in her neighborhood are not paying their fair share.

Response: See response to Elisa Crawford, above. While not relevant to the fee increase at issue, the City’s code does include a means for seeking a reduction to a portion of the stormwater fee if the user demonstrates there is permanent reduction to the runoff from the subject property.

- Kim Tustin – Comments related to proposed fees oppose an 18% fee increase and suggest that 3-5% would be more appropriate. She noted that the Eugene Water and Electric Board has already raised fees this year and that taxes and fees are making it difficult to afford living in Eugene.

Response: As part of the 2025-2027 budget process, the City needed to make significant budget reductions even while receiving a great deal of testimony that urged the City to continue to provide its current level of public services. As noted above, the stormwater user fees support the operation and maintenance of City parks and open spaces. One way the City Council chose to address the budget issues and the public’s urging is to make the stormwater user fee the primary source of funding for the operation and maintenance of City parks and open spaces, with the understanding that this would require the subject increase in stormwater user fees. This fee increase is not intended to be permanent and my Order approving it includes a proposal to reduce the fee by a like amount in 2031.

Comments Received via USPS:

- Bob Siegmund – (reading from letter he also mailed to City) Comments related to the proposed fee oppose the fee because the fees keep going up and he believes the fee is a tax that avoids tax limitations. He also opposes the fee because he sees no nexus between the stormwater fee and parks and open space or other City services. He feels that the fee is particularly difficult for seniors.

Response: See response to Siegmund, above.