

ADMINISTRATIVE ORDER NO. 58-26-07-F
of the
City Manager of the City of Eugene

**SETTING WASTEWATER USER FEES AND SUPERSEDING THE FEE
SCHEDULE ADOPTED BY ADMINISTRATIVE ORDER NO. 58-25-04-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. Pursuant to that authority, on May 29, 2025, Administrative Order No. 58-25-04-F was issued amending the Wastewater User Fee Schedule.

B. On April 24, 2026, I issued Administrative Order No. 58-26-07 ordering that notice be given of the opportunity to submit written comments on the proposal to set new wastewater user fees. The Notice was posted and published, specifying that comments on the proposed amendments could be submitted orally at the public hearing on May 14, 2026, or in writing until 5:00 p.m. on May 14, 2026. 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.

C. Based on my investigation of the revenue needs of the City in providing wastewater service using the criteria in EC 6.411(2), I find that the fees should be set as proposed. (See Exhibit B.)

D. The unamended wastewater fees adopted by Administrative Order No. 58-25-04-F are incorporated into the Fee Schedule attached as Exhibit A to this Order.

On the basis of these findings, I order that:

1. A copy of this Order shall be promptly forwarded to the Mayor and City Councilors. 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.

2. Notwithstanding the effective date of this Order as set forth above, the Wastewater 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 July 1, 2026.

3. The Fee Schedule attached to Administrative Order No. 58-25-04-F is superseded by the Wastewater User Fee Schedule attached as Exhibit A to this Order effective for all bills issued on or after July 1, 2026.

Dated this 27th day of May, 2026.

Jenny Haruyama
Jenny Haruyama (May 27, 2026 08:58:32 PDT)

Jennifer D. Haruyama
City Manager

LR
LR

MR
Matt Rodrigues

Unless reviewed by Council pursuant to EC 6.411(1)(f), this Order becomes final on June 7th, 2026.

WASTEWATER USER FEES
(Effective for all bills issued on or after July 1, 2026)

<u>RATE COMPONENT</u>	<u>Rate</u>
RESIDENTIAL:	
<u>Per Account Fee:</u>	
City of Eugene	No charge
MWMC.....	\$17.71
<u>Sanitary Sewer Flow-Based Charge per 1,000 Gallons of Water Used:</u>	
City of Eugene	\$3.529
MWMC.....	\$3.525
Total flow-based charge per 1,000 gallons of water used	\$7.054
TYPICAL RESIDENTIAL BILLING:	\$52.98
(Per Account charge + 5 times the total flow-based charge)	
COMMERCIAL/INDUSTRIAL:	
<u>Per Account Fee, All Commercial/Industrial Classes:</u>	
City of Eugene	No charge
MWMC.....	\$17.71
<u>Sanitary Sewer Flow-Base Charge Per 1,000 Gallons of Water Used by Customer Class:</u>	
<u>Low Strength Customer:</u>	
City of Eugene	\$3.529
MWMC.....	\$4.739
Total flow-base charge per 1,000 gallons of water used	\$8.268
<u>Medium Strength Customer:</u>	
City of Eugene	\$3.529
MWMC.....	\$6.903
Total flow-base charge per 1,000 gallons of water used	\$10.432

Exhibit A
to Administrative Order No. 58-26-07-F

<u>RATE COMPONENT</u>	<u>Rate</u>
High Strength Customer:	
City of Eugene	\$3.529
MWMC.....	\$9.795
Total flow-base charge per 1,000 gallons of water used	\$13.324
Very High Strength Customer:	
City of Eugene	\$3.529
MWMC.....	\$12.695
Total flow-base charge per 1,000 gallons of water used	\$16.224
Super High Strength Customer:	
City of Eugene	\$3.529
MWMC.....	\$15.590
Total flow-base charge per 1,000 gallons of water used	\$19.119
SEPTAGE HAULERS/HAULED WASTE (NON-SEPTAGE):	
City of Eugene	No charge
MWMC Septage: flow rate/1,000 gallons	\$160.00
MWMC Hauled Waste (non-septage): flow rate/1,000 gallons.....	\$160.00

CITY MANAGER’S FINDINGS

Proposed Wastewater Fee Schedule Amendments

All properties connected to the public wastewater system pay wastewater fees. Eugene provides local wastewater collection services, and the Metropolitan Wastewater Management Commission (MWMC), a partnership of Lane County and the cities of Eugene and Springfield, operates the regional wastewater collection and treatment facilities.

The City of Eugene is proposing to increase local wastewater user fees by 5%, effective July 1, 2026. This rate increase is necessary to balance revenues and expenditures and end the 6-year forecast window with a balance available that is at the City’s two-month operating reserve target. Inflationary pressures experienced by this industry are addressed within this rate increase. Personnel expenses continue to rise as inflation increases wages and PERS retirement costs, placing significant pressure on the budget. Inflation is also driving up the cost of goods and services, further straining service delivery. Contractual services and repair work, in particular, are increasing at rates above overall inflation.

This user fee increase also reflects the addition of a portion of a new strategic position within the Public Works Department. Due to workload growth, employee turnover, increasing complexity and regulatory requirements for road, stormwater, and wastewater infrastructure, 0.20 FTE for an Assistant Director in the Maintenance Division is included in the rate structure. The remaining portions of this FTE will be funded by the Road Fund and the Stormwater Fund.

Pursuant to Sections 6.411(1) and (2), the City Manager has conducted an investigation of the revenue needs of the City in conducting wastewater operations and has examined the following criteria in determining the proposed wastewater fees:

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

Findings:

<u>RATE COMPONENT</u>	<u>CURRENT RATE</u>	<u>PROPOSED RATE</u>
RESIDENTIAL:		
<u>Per Account Fee:</u>		
City of Eugene	No charge	No charge
MWMC	\$16.79	\$17.71
<u>Sanitary Sewer Flow-Based Charge per 1,000 Gallons of Water Used:</u>		
City of Eugene	\$3.361	\$3.529
MWMC	\$3.341	\$3.525
Total flow-based charge per 1,000 gallons of water used.....	\$6.702	\$7.054

Exhibit B
to Administrative Order No. 58-26-07-F

TYPICAL RESIDENTIAL BILLING:	\$50.31	\$52.98
(Per Account charge + 5 times the total flow-based charge)		
COMMERCIAL/INDUSTRIAL:		
<u>Per Account Fee, All Commercial/Industrial Classes:</u>		
City of Eugene	No charge	No charge
MWMC	\$16.79	\$17.71
<u>Sanitary Sewer Flow-Base Charge Per 1,000 Gallons of Water Used by Customer Class:</u>		
Low Strength Customer:		
City of Eugene	\$3.361	\$3.529
MWMC	\$4.492	\$4.739
Total flow-base charge per 1,000 gallons of water used.....	\$7.853	\$8.268
Medium Strength Customer:		
City of Eugene	\$3.361	\$3.529
MWMC	\$6.543	\$6.903
Total flow-base charge per 1,000 gallons of water used.....	\$9.904	\$10.432
High Strength Customer:		
City of Eugene	\$3.361	\$3.529
MWMC	\$9.284	\$9.795
Total flow-base charge per 1,000 gallons of water used.....	\$12.645	\$13.324
Very High Strength Customer:		
City of Eugene	\$3.361	\$3.529
MWMC	\$12.033	\$12.695
Total flow-base charge per 1,000 gallons of water used.....	\$15.394	\$16.224
Super High Strength Customer:		
City of Eugene	\$3.361	\$3.529
MWMC	\$14.777	\$15.590
Total flow-base charge per 1,000 gallons of water used.....	\$18.138	\$19.119
SEPTAGE HAULERS/HAULED WASTE (NON-SEPTAGE):		
City of Eugene	No charge	No charge
MWMC Septage: flow rate/1,000 gallons	\$152.00	\$160.00
MWMC Hauled Waste (non-septage): flow rate/1,000 gallons	\$152.00	\$160.00

2) For regional wastewater treatment services, the recommendation, if any, of the Metropolitan Wastewater Management Commission, or any successor agency.

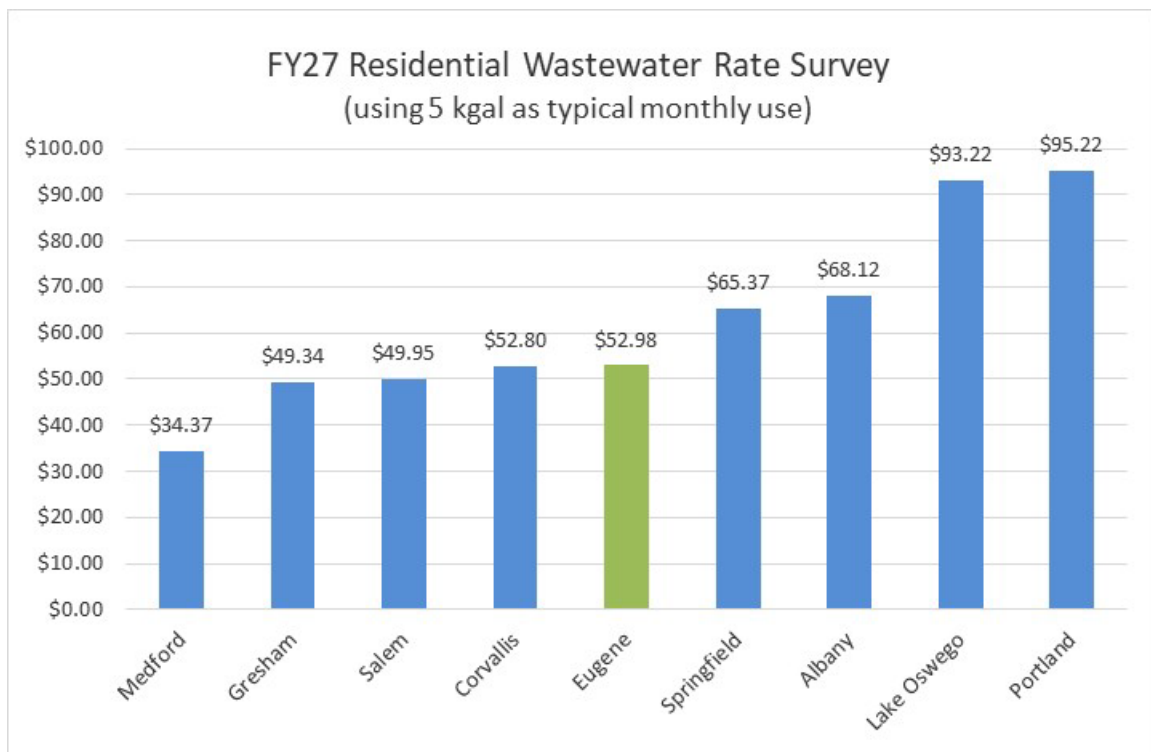
Findings: MWMC approved a 5.5% increase in regional wastewater rates over the current rate, and a 5.3% increase in the Septage Hauler/Hauled Waste fee over the current fee, effective July 1, 2026. MWMC held a public hearing specific to the proposal on April 10, 2026.

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

Findings: The Oregon Department of Environmental Quality is charged with implementing state and federal rules governing the operation of wastewater treatment plants. As such, the DEQ has issued a National Pollutant Discharge Elimination System (NPDES) Permit (number 102486) for the Eugene/Springfield Water Pollution Control Facility (i.e., the regional treatment plant at 410 River Ave, Eugene). The permit describes conditions and limitations to ensure public health and safety and protection of the environment. The FY27 budget for the regional wastewater program will provide funding for the City to carry out operations and maintenance activities and services necessary under the NPDES permit.

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

Findings:



- 5) **The revenue needed to pay for the direct and indirect expected costs of constructing, operating, maintaining, and replacing local and regional sewerage facilities based on the adopted budgets of the city of Eugene and the Metropolitan Wastewater Management Commission or its successor, 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.**

For an explanation of regional wastewater fee increases, which are set by the Metropolitan Wastewater Management Commission, please see the March 13, 2026 meeting for MWMC at www.mwmcpartners.org/meetings/.

Findings:

	<u>FY27</u>
Sources of Funds:	
Beginning Working Capital	\$2,485,980
Current Rate Revenue	\$14,455,000
Rate Increase Revenue	\$723,000
Other Revenue	\$660,200
Total Resources	<u>\$18,324,180</u>
Uses of Funds:	
Operations & Maintenance	\$10,307,894
Capital Projects	\$2,380,000
Administration	\$2,353,391
Utility Right of Way Fee	\$911,000
Utility Administration	\$969,438
Ending Working Capital	\$1,402,457
Total Requirements	<u>\$18,324,180</u>
Rate Increase - Proposed	5.0%

**The rate increase is included in the cost of the above programs.*

- 6) **Other relevant adopted policies of the council.**

Findings: There are no other relevant policies adopted by the City Council that will impact the FY27 proposed rates.

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

Findings: The intergovernmental agreement with EWEB for utility service charge collection services, updated November 1, 2025, includes an increase of \$167,000 in local wastewater related billing costs. This amount represents approximately 1.2% of the proposed wastewater rate increase. The IGA that created and governs MWMC requires MWMC to recommend regional wastewater fees to the City based on: (i) the rates and amounts that the MWMC reasonably determines are necessary to meet Bond covenants, and to achieve and maintain an unenhanced credit rating of A for the MWMC's Bonds from at least one nationally recognized rating agency; and (ii) such additional rates and amounts that the MWMC determines are appropriate to adequately fund the actions necessary to perform the MWMC's functions under this Agreement. The proposed regional wastewater fees are those recommended by MWMC in accordance with that IGA.

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 wastewater fee schedule is a flow-based fee set up to charge customers whose residence or business use more water, and thus requires more wastewater to be treated, to pay a higher fee. There is one rate charged per thousand gallons of water used for residential customers and five different categories of rates for commercial customers depending upon the strength and characteristics of the wastewater discharged to the public sewer system.

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

Findings: The City of Eugene wastewater program is paying a similar charge for the use and occupancy of the City of Eugene's right-of-way system, when compared to other utilities in the area.

Percentage of Revenue for Use in the Right-of-Way

Cable TV	5%
EWEB (CILT)*	6%
COE Stormwater	6%
COE Wastewater	6%
Telecommunications (including Internet access)	7%
NW Natural Gas**	5%

*As a public utility, EWEB pays the City a Contribution In Lieu of Taxes (CILT) as a percentage of electric retail sales revenue.

**The last franchise agreement with NW Natural expired in 2021. While the City and NW Natural work towards a new agreement, NW Natural continues to pay the City a Natural Gas Supplier Tax as a percentage of revenue.

**Summary Record of Open Questions and Comments at Public Hearing
Thursday, May 14th, 2026 12:00 p.m.
Virtual Zoom Hearing**

*On the matter of receiving comment on proposed adjustments for
Stormwater or Wastewater user fees for bills issued on and after July 1, 2026*

No participants provided comment in the matter of proposed stormwater and wastewater user fee increases. Below is a summary of written questions or comments received, followed by the City response.

In person testimony:

No testimony received

Emailed comments:

From: Alexander Chamberlin
Sent: Saturday, May 9, 2026 4:50 PM
To: Eugene PWA Utility Admin <UtilityAdmin@eugene-or.gov>
Subject: Help me understand wastewater fee schedules

So I've reviewed [Admin-Order-58-26-07----Proposing-WW-User-Fee-Amendments--FY27](#) and I have questions I want to ask before I make public comment. I have three primary questions.

First, how do you detect the "strength" of wastewater coming from a customer? What does the strength of wastewater even mean? What would the strength of a toilet flush be?

Second, how do you decide how to allocate needed revenue between per account fee and per gallon fee? Like the per account fee is \$17.71 and flow fee is \$7.054 per 1000 gal. Why this? Why not \$1 per account and \$8 per 1000 gal or whatever the math works out to?

Third, if Eugene collectively generates 5% less waste water (yay!) does the budget collapse (oh no!)? Conversely if Eugene generates 5% more waste water what do you do with the surplus?

Thank you very much for your expertise and the work you do

First, how do you detect the "strength" of wastewater coming from a customer? What does the strength of wastewater even mean? What would the strength of a toilet flush be?

The City uses combined Biochemical Oxygen Demand (BOD₅) and Total Suspended Solids (TSS) concentrations (in mg/L) to classify wastewater strength into tiers for commercial customers:

- Low Strength: up to 400 mg/L
- Medium Strength: up to 800 mg/L
- High Strength: up to 1,200 mg/L
- Very High Strength: up to 1,600 mg/L
- Super High Strength: above 1,600 mg/L

The City uses a two-step process to ensure each commercial or industrial customer is billed accurately based on the actual strength of the wastewater they discharge.

These thresholds correspond to specific regional (MWMC) and local (City of Eugene) flow-based fee rates per 1,000 gallons. The combined BOD₅ + TSS concentration determines the strength category and affects the fee tier for commercial and industrial users. The City uses a two-step process to ensure that each business is assigned the most accurate wastewater strength category possible.

1. Initial Category Assignment

When a new business opens or an existing business changes its use, the City assigns an initial wastewater strength category based on the System Development Methodology Plan. This plan includes standard use-type classifications (such as restaurants, offices, manufacturing, or food service) and assigns each type an expected wastewater strength based on typical wastewater characteristics for similar operations. This approach allows the City to make an initial, reasonable estimate of a business's expected wastewater load.

2. Strength Verification Through Testing

If the assigned category does not appear to reflect the actual wastewater characteristics of a business, the City can perform, the customer may request, wastewater sampling and laboratory testing. These tests measure pollutant levels, such as Biochemical Oxygen Demand (BOD₅) and Total Suspended Solids (TSS), which indicate the actual strength of the wastewater being discharged.

If testing shows that the wastewater strength is higher or lower than the initial classification, the City will adjust the strength category accordingly.

Higher numbers = “stronger” wastewater because it takes more treatment to clean.

For residential customers, wastewater strength is not individually measured; all residential customers are billed using a standard residential strength value because their wastewater characteristics are generally consistent across households.

What is the “strength” of a normal toilet flush?

A household toilet flush is considered typical domestic wastewater strength, which means:

- BOD₅: about 200–300 mg/L
- TSS: about 200–300 mg/L

A single toilet flush is just part of normal household sewage, nothing unusual and well within what residential systems are designed for and would be billed as a standard residential strength value.

Second, how do you decide how to allocate needed revenue between per account fee and per gallon fee? Like the per account fee is \$17.71 and flow fee is \$7.054 per 1000 gal. Why this? Why not \$1 per account and \$8 per 1000 gal or whatever the math works out to?

The wastewater fee has two parts: a basic monthly charge and a per-gallon charge. The basic charge is entirely regional and helps fund the Metropolitan Wastewater Management Commission, which treats all wastewater for the area. The per-gallon charge (or flow-based charge) includes both a local and regional portion. The local portion pays for the City of Eugene's pipes and pump stations that collect and carry wastewater, while the regional portion supports the treatment of that wastewater at the regional facility.

The basic monthly charge (per account fee) covers the cost of having the system available, even if no water is used. The per account fee includes customer service, administration and billing. These costs do not change when a customer uses more or less water. They exist just because the customer is connected. The per-gallon fee (flow based charge) pays for the part of the system that scales with how much is used by the customer, which is structured to recover the costs which can include: treating actual wastewater, the use of electricity and chemicals, wear and tear tied to volume and handling higher flows during peak periods.

Third, if eugene collectively generates 5% less waste water (yay!) does the budget collapse (oh no!)? Conversely if eugene generates 5% more waste water what do you do with the surplus?

A 5% change in wastewater revenue, up or down, does not create a budget crisis. Year-to-year shifts are expected, and the City plans for them in its six-year financial forecast. If revenue comes in lower than expected, it is managed by reducing discretionary spending, postponing non-essential projects, or adjusting future rates if the change continues. If revenue comes in higher than projected, the extra funds are added to the fund's savings (fund balance), can be used to offset future rate increases, or accessed for emergencies by seeking formal budget committee approval.

Signature: Lacey Risdal
Lacey Risdal (May 27, 2026 08:43:41 PDT)
Email: Irisdal@eugene-or.gov

Signature: MR
Matt Rodrigues (May 27, 2026 08:56:46 PDT)
Email: mrodrigues@eugene-or.gov