



Eugene City Council

500 E 4th Ave., Suite 302
Eugene, OR 97401
541-682-5010 • 541-682-5414 Fax
www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

January 21, 2026

12:00 p.m. CITY COUNCIL WORK SESSION

City Council Wednesday work sessions are held using virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

**Meeting of January 21, 2026;
Her Honor Mayor Kaarin Knudson Presiding**

Councilors

Greg Evans, President
Eliza Kashinsky
Jennifer Yeh
Mike Clark

Lyndsie Leech Vice President
Matt Keating
Alan Zelenka
Randy Groves

12:00 p.m. CITY COUNCIL WORK SESSION

- 1. WORK SESSION: Proposed Wastewater Expansion to Serve Goshen, Short Mountain Landfill and City of Creswell**
- 2. WORK SESSION: 1059 Willamette Redevelopment**

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El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

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EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: Proposed Wastewater Expansion to Serve Goshen, Short Mountain Landfill and City of Creswell

Meeting Date: January 21, 2026
Department: Planning & Development
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Alissa Hunter and Michelle Miranda
Phone: 541-682-5508

ISSUE STATEMENT

At this work session, Lane County staff will provide an update on the County's proposal to expand the Metropolitan Wastewater Management Commission's service area to include service to Goshen, the Short Mountain Landfill, and the City of Creswell. The work session will include a discussion on the potential impacts to the system capacity and costs, as well as next steps involving the Eugene-Springfield Metropolitan Area General Plan (Metro Plan).

BACKGROUND

Lane County has been working to advance economic development in the unincorporated community of Goshen for more than a decade with significant analysis into options for providing wastewater service to the community. At the Eugene City Council's March 15, 2023 work session, Lane County staff provided an update on extending wastewater services from the Metropolitan Wastewater Management Commission (MWMC) regional wastewater system to serve Goshen and the Short Mountain Landfill.

Subsequently, the City of Creswell identified a connection to MWMC regional wastewater system as their preferred long-term strategy for wastewater management. The City of Creswell's wastewater treatment plant is currently unable to meet discharge permit requirements from the Oregon Department of Environmental Quality, and they are facing a moratorium on new housing until the situation is resolved. The City of Creswell has been working with Lane County over the past year to define the combined needs for a wastewater conveyance system that would include flows from the City of Creswell, the unincorporated community of Goshen, and leachate from the Short Mountain Landfill. Lane County has also worked with City of Springfield, City of Eugene, and MWMC over this period to better understand issues around existing system capacity and connection costs to address concerns about the potential impacts to existing MWMC ratepayers.

Detailed background information is included in the attached memorandum from Lane County to City Council, provided as Attachment A. Lane County also shared similar information at a City of Springfield City Council work session on January 5, 2026. The meeting materials for the City of Springfield work session included a memo from Lane County to MWMC, along with two reports containing additional information on capacity and costs. These are provided as Attachment B.

The next steps in the City's consideration of this proposal will take place as part of a formal land use process that has been initiated by Lane County seeking to amend the Eugene-Springfield Metropolitan Area General Plan (Metro Plan), which serves as the regional long-range comprehensive plan for the cities of Eugene and Springfield and metropolitan Lane County.

January 21, 2026 Work Session – Item 1

Currently, the Metro Plan includes policies that prohibit the extension of wastewater service to land outside of the UGBs of Eugene and Springfield. Lane County seeks to amend the Metro Plan to update these policies. This type of Metro Plan amendment requires a formal land use adoption process with all three jurisdictions (Eugene, Springfield and Lane County), including a joint planning commission public hearing and recommendations, followed by a joint elected officials public hearing, and action. The joint planning commission and joint elected officials' public hearings for the proposed Metro Plan amendment are in the process of being scheduled, anticipated to start in spring 2026.

If the Cities and County approve the proposed Metro Plan amendment to remove Metro Plan's threshold prohibition on a future extension of wastewater service to some or all of the areas requested, subsequent City actions would be needed before the areas could be served by MWMC. Most notably, the City Council would need to consider amendments to the intergovernmental agreements that establish and govern the MWMC. Those agreements address the MWMC's service area, jurisdictional representation on the MWMC Board, regional wastewater user fees and development charges, and the obligations of the governing bodies served by the MWMC. A letter from MWMC regarding their position on the project is provided in Attachment C.

RELATED CITY POLICIES

The Metro Plan contains specific policies prohibiting extension of wastewater service outside of the Eugene and Springfield UGBs. Policies in the Metro Plan that would need to be amended to allow the extension of wastewater to Goshen, Short Mountain Landfill and/or City of Creswell are listed below:

Metro Plan Chapter II (Growth Management)

Policy #21: Cities shall not extend water or wastewater service outside city limits to serve a residence or business without first obtaining a valid annexation petition, a consent to annex agreement, or when a health hazard annexation is required.

Metro Plan Chapter III G (Public Facilities and Services Element)

Policy #26: Wastewater and water service shall not be provided outside the UGB except to the following areas, and the cities may require consent to annex agreements as a prerequisite to providing these services in any instance:

- a. The area of the Eugene Airport designated Government and Education on the Metro Plan Diagram, the Seasonal Industrial Waste Facility, the Regional Wastewater Biosolids Management Facility, and agricultural sites used for land application of biosolids and cannery byproducts. These sites serve the entire metropolitan area.
- b. An existing development outside the UGB when it has been determined that it poses an immediate threat of public health or safety to the citizens within the Eugene-Springfield UGB that can only be remedied by extension of the service.

In addition, under prior obligations, water service shall be provided to land within the dissolved water districts of Hillcrest, College Crest, Bethel and Oakway.

Findings demonstrating compliance with the Metro Plan amendment approval criteria, including any relevant policies, will be provided during the formal land use adoption process for any proposed amendments to the Metro Plan.

PREVIOUS COUNCIL DIRECTION

[March 15, 2023, City Council Work Session](#)

This work session was informational only; no Council direction was given. At this work session, Lane County staff provided background on their efforts to advance economic development in the Goshen area through land use actions and wastewater feasibility studies and provided an update on a proposal to connect Goshen and the Short Mountain Landfill to the regional wastewater system.

COUNCIL OPTIONS

None. This is an informational item only.

CITY MANAGER'S RECOMMENDATION

None. This is an informational item only.

SUGGESTED MOTION

None. This is an informational item only.

ATTACHMENTS

- A. Memorandum from Dan Hurley, Lane County Public Works Director to Eugene City Council dated January 7, 2026
- B. Memorandum from Dan Hurley, Lane County Public Works Director to Matt Stouder, Executive Officer, Metropolitan Wastewater Management Commission, dated November 4, 2025, including two attachments
- C. Letter from Pat Farr, Board President, Metropolitan Wastewater Management Commission, to Dan Hurley, Lane County Public Works Director, dated January 9, 2026

FOR MORE INFORMATION

Staff Contact: Alissa Hunter, Planning Director

Telephone: 541-682-5508

Staff E-Mail: ahunter@eugene-or.gov

Staff Contact: Michelle Miranda, Wastewater Division Director

Telephone: 541-682-8615

Staff E-Mail: mmiranda@eugene-or.gov



MEMORANDUM

Date: January 7, 2026

To: Eugene City Council

From: Lane County Public Works – Dan Hurley, Director

Subject: Regional Wastewater Expansion

ISSUE STATEMENT

The Lane County Board of Commissioners (BCC) has been pursuing development in the unincorporated community of Goshen for more than a decade with significant analysis into options for providing wastewater service to the community. County staff last held a work session with the Eugene City Council on March 15, 2023, to discuss extending wastewater services from the Metropolitan Wastewater Management Commission (MWMC) regional wastewater system to serve Goshen and the Short Mountain Landfill.

Since the last work session, the City of Creswell has identified a connection to the Metropolitan Wastewater Management Commission (MWMC) regional wastewater system as their preferred long-term strategy for wastewater management. The City of Creswell has been working with Lane County over the past year to define the combined needs for a wastewater conveyance system that would include flows from the City of Creswell, the unincorporated community of Goshen, and leachate from the Short Mountain Landfill. Lane County has also worked with the City of Springfield, the City of Eugene, and the MWMC over this period to better understand issues around existing system capacity and connection costs to address concerns about the potential impacts to existing MWMC ratepayers.

On November 14, 2025, Lane County and City of Creswell staff updated the MWMC on the regional wastewater expansion project and proposed using the MWMC System Development Charge methodology for future connection costs along with a five percent out-of-network surcharge for the potential new flows. The MWMC supported the connection cost proposal and endorsed continuing the conversation for necessary approvals to the elected bodies of Springfield, Eugene, and Lane County.

Very recently, Junction City approached Lane County with interest in exploring the potential for connection to the MWMC system to resolve their wastewater challenges. The Board of County Commissioners (BCC) has not yet taken up the issue for discussion.

Lane County plans to sponsor an amendment to the Eugene-Springfield Metro Plan to allow wastewater services to be provided outside of the metro service area. County



staff plans to discuss the proposed wastewater expansion project and gauge support for potential options for the Metro Plan amendment.

BACKGROUND

The unincorporated community of Goshen is located just south of the Eugene/Springfield metro area and contains more than 300 acres of industrially zoned land. The area has unique attributes including easy access to major transportation facilities (rail/highway/interstate) and close proximity to labor markets, making it an ideal area for industrial development rarely found in Oregon. Recognizing these attributes, the State of Oregon designated Goshen as a Regionally Significant Industrial Area (RSIA); however, a lack of infrastructure (particularly wastewater) presents a significant barrier to development and investment.

Lane County has been working with consultants from Kennedy Jenks since 2014 to assess the feasibility of providing wastewater services to Goshen. Through these studies, the County determined that the most cost-effective method for providing wastewater services would be to connect to the Metropolitan Wastewater Management Commission (MWMC) wastewater system. At this time, the MWMC policy does not allow for connections to Goshen because the area is outside the currently-defined service boundary.

The history of the Goshen wastewater project extends to 2011, when the County sought to facilitate regional economic development in the area. At that time, the BCC identified development in Goshen as a strategic goal and estimated that 2,000-3,000 industrial manufacturing jobs could be created on the area's industrial lands. To realize this goal, Lane County developed the Goshen Region Employment and Transition (G.R.E.A.T.) Plan that included obtaining an Oregon Statewide Land Use Planning Goal 14 (Urbanization) exception and a zoning change to allow urban levels of industrial development to permit better utilization of the area's unique characteristics.

In 2015, the County completed a Wastewater Feasibility Study to demonstrate the feasibility of providing wastewater service to the Goshen area. The 2015 Study recommended connection to the MWMC regional system as it had the lowest cost and highest environmental benefits of the three alternatives considered for wastewater treatment.

In 2017, the County completed a Financial and System Administration Study that estimated connection charges for the MWMC connection. The 2017 Study also identified system administrative functions that would be required for the operation of the Goshen wastewater system. The 2017 Study reviewed several alternatives for system governance, ultimately recommending Goshen be incorporated into the MWMC system, with agreements for O&M and administrative functions in partnership with City of Eugene and City of Springfield.



In August 2018, the BCC directed Lane County staff to pursue the next phase of work on a wastewater feasibility study. This phase, called the Project Definition phase, included updating construction cost estimates, development of a permitting plan and project schedule, and recommendations for proposed pipelines and pump stations.

In November 2019, Lane County provided a project overview to the MWMC, noting that an amendment would be needed to the Metro Plan and the Intergovernmental Agreement (IGA) established by the MWMC governing bodies to allow a wastewater connection to service the Goshen area. With a connection to Goshen, the trucking of leachate from the Short Mountain Landfill to the Glenwood receiving station could be eliminated and replaced via a piped conveyance to Goshen and the MWMC system.

In February 2022, Lane County completed a Project Definition Report (PDR), that refined the conceptual planning and financial estimates from the 2015 and 2017 studies. The PDR includes route evaluations for gravity sewers and pressure force mains as well as capital cost estimates, connection costs estimates, and a Permitting Plan with anticipated timelines.

In early 2023, Lane County conducted work sessions with the City of Springfield and the City of Eugene, and on April 4, 2023, Lane County facilitated a joint planning commission public hearing with planning commissions from the City of Springfield, the City of Eugene, and Lane County. Each of these entities expressed the need for more information about existing capacity in the system and more information on connection charges to ensure that current ratepayers would not be negatively impacted by allowing new connections outside of the existing service area.

In November 2024, Lane County received a presentation from the City of Creswell on the City's wastewater system and held a discussion on the feasibility of Creswell connecting to the MWMC system. The City of Creswell's wastewater treatment plant is currently unable to meet discharge permit requirements from the Department of Environmental Quality (DEQ). The City of Creswell is operating under a Mutual Agreement and Order (MAO) with the DEQ and must upgrade their treatment facility if they are not able to connect to the MWMC regional system. The Board discussed the challenges that the City of Creswell is facing with a moratorium on new housing and potential public health risks of wastewater system discharges into the local waterway. The City of Creswell also submitted a Facility Plan to DEQ in December 2024 identifying connection to the MWMC system as the preferred compliance strategy.

In December 2024, the BCC approved initiating an amendment to the Eugene-Springfield Metropolitan Area General Plan (Metro Plan) to authorize an extension of MWMC services to the City of Creswell and to submit a five-million-dollar Water Resources Development Act (WRDA) funding request to the U.S. Army Corps of Engineers for design services related to extension of a sewer line to Creswell.



Throughout 2025, as Creswell's wastewater issues have risen to a State-level concern, the Governor's Office of Regional Solutions facilitated numerous conversations with stakeholders. Three workgroups were formed to explore potential financing for construction, to coordinate work on a Metro Plan amendment, and to advance engineering designs.

In October 2025, Kennedy Jenks and the Galardi Rothstein Group (GRG) provided connection cost estimates for Goshen, the Short Mountain Landfill, and the City of Creswell utilizing the MWMC SDC Methodology. The cost estimates were based on a 2017 study that was updated in 2019 and again in 2023.

In November 2025, Lane County staff provided an update to MWMC and discussed expanding the scope of the project to include Creswell. Staff also proposed using the MWMC SDC methodology for calculating connection costs and proposed a five percent out-of-network surcharge for ongoing operations costs. MWMC was supportive of adding Creswell to the expansion project and supported the proposed connection cost approach. MWMC committed to preparing a letter of support to assist with upcoming land use discussions.

Financial Considerations: Construction costs in 2023 dollars total \$72.6 - \$79.9 million. These costs are detailed as follows:

Goshen: Springfield to Goshen conveyance: \$32.9M-36.5M. This includes the Goshen Collection System, Pump Stations and Force Mains (\$21.4M) and MWMC connection charges (\$11.5M to \$15.1M). These estimates have not been updated to include costs of upsizing piping and pump stations for accommodating Creswell flows. The estimates include an allowance of 25 percent for soft costs, such as engineering, administrative, permits, and legal.

Creswell: Goshen to Creswell conveyance: \$39.7M-43.4M. This includes City-owned infrastructure improvements (\$19.3M), Goshen system upgrades (\$7.3M), MWMC connection charges (\$10M-13.7M), and a Springfield connection charge (\$3.1M).

Connection Costs: Lane County and the City of Creswell proposed that MWMC and the City of Springfield use their existing System Development Charge (SDC) methodology for calculating connection costs. SDCs are assessed on all new development that connects to MWMC's regional wastewater system. The MWMC SDC model follows a methodology that was developed in accordance with Oregon SDC legislation (ORS 223.297-223.316), and includes a reimbursement for existing facilities, as well as recovery of future facility costs needed to expand system capacity to serve new development. MWMC will be updating their SDC model in 2026. Lane County and the City of Creswell understand that connection cost estimates will need to be updated at the time of connection to align with the updated



model. MWMC supported the proposed methodology and that timing of connection payments will be tied to timing of when flows come online. MWMC also supported a proposed five percent out-of-network surcharge on rates. City of Springfield staff supported using the City's current SDC methodology to assess connection costs for the Franklin/McVey trunk line.

Funding: Lane County is working with the Governor's Office of Regional Solutions to identify potential funding sources for the project. Potential funding maybe be available through several State and Federal grant/loan programs. Lane County has submitted a five-million-dollar Water Resources Development Act (WRDA) funding request to the U.S. Army Corps of Engineers for design services. Federal funding authorization is being sought to initiate the design services.

Capacity: In August 2025, Jacobs Solutions, Inc. presented a report to MWMC on a Preliminary Evaluation of Additional Creswell/Goshen Loads on MWMC System Capacity. The report did not address Short Mountain because the proposal does not seek to increase loads from Short Mountain, only change the method of delivery to the MWMC system. The evaluation utilized projected flow and load estimates provided by Lane County and the City of Creswell to determine the capacity impacts of potential additional flows and loads from Creswell/Goshen. Flows and loads were modeled under elevated buildout conditions through 2045 completed for the MWMC Comprehensive Facilities Plan Update. At a high-level, the evaluation found that the system has adequate existing capacity except for the Glenwood Pump Station and Force Main. Other system impacts included shortening the timeline for needing a fifth anaerobic digester by six years and additional annual dewatering operating hours with existing Belt Filter Press equipment. Additional analysis is needed to assess the potential capacity limitations of the Glenwood Pump Station and Force Main.

City of Springfield staff have indicated that there may be capacity limitations in the Franklin/McVey trunk line that would serve as a conveyance between the combined Creswell/Goshen/County Landfill system and the MWMC system. Additional analysis is needed to determine the degree and timing of the capacity constraints. Given that flows from Goshen will likely be added over several decades as development occurs, upsizing may not be needed for decades. Lane County understands that it will need to bear the cost for upgrades to the Franklin/McVey trunk line when/if that becomes necessary.

RELATED POLICIES

Based on support from MWMC for expansion to serve Goshen and the Short Mountain Landfill, Lane County intends to move forward with hearings, deliberations, and land use actions to pursue a Metro Plan amendment. The extension to Creswell has developed as an additional possibility since the last



update to the Eugene City Council. Lane County staff would like to hear Eugene City Council feedback on including Creswell in the proposed Metro Plan amendment.

The proposed Metro Plan amendment would authorize MWMC to extend wastewater services outside of its current service boundary to the rural unincorporated community of Goshen, the Short Mountain Landfill, and the City of Creswell. The Metro Plan amendment would require approval by each of the MWMC jurisdictions (Eugene, Springfield, and Lane County). To ensure compliance with OAR 660-011-0060, Lane Code updates will also be required which prohibit additional connections to the system for properties outside Eugene and Springfield's urban growth boundaries (UGBs). The Lane Code amendments would only be adopted by the County.

Extending sewer lines beyond the Eugene and Springfield UGBs would require a "Type III" Metro Plan amendment. Pursuant to Chapter IV, Policy 6(b) of the Metro Plan, Type III amendments require approval by Eugene, Springfield and Lane County. This process entails separate joint public hearings by the planning commissions and the elected officials of all three governing bodies.

If an amendment is approved, each of the three governing bodies must adopt substantively identical ordinances with supportive findings of fact. When there is not consensus for a Type III amendment it must be referred to the Chair of the Lane County Board of Commissioners and the Mayors of Eugene and Springfield for further examination of the issue(s) to resolve any dispute and provide a recommendation back to the governing bodies. Adopted or denied Metro Plan amendments may be appealed to the Oregon Land Use Board of Appeals (LUBA) or the Department of Land Conservation and Development (DLCD) according to applicable state law.

Typical Type III amendment processes can span several months and require the involvement of planning and legal staff of each jurisdiction. As with most land use matters, any amendment to the Metro Plan that are deemed controversial can require multiple public hearings and undergo multiple rounds of appeal and remand proceedings.

Consistent with Statewide Planning Goals 11 (Public Facilities and Services) and 14 (Urbanization), Oregon administrative rules, and state statute, the Metro Plan generally prohibits extension of urban-level public facilities outside the UGBs. There are exceptions to these rules, for example there is a specific provision of OAR 660-011-0060 for extending wastewater service for the transport of leachate. Policy G.26 of the Metro Plan already includes exceptions to the general rule of extending wastewater service outside the UGB, including an area of the Eugene Airport, the Seasonal Industrial Waste Facility, the Regional Wastewater Biosolids Management Facility, agricultural sites used for land application of biosolids and



cannery byproducts, and existing development when it poses an immediate threat of public health or safety within the UGB. See the full text of Policy G.26 below.

Policy G.26 is proposed to be amended to include the Short Mountain Landfill site, the Goshen area, the City of Creswell, to the list of areas outside the UGBs to which wastewater services will be allowed. Several other policies would also be amended to ensure consistency with the amendments to Policy G.26.

Policies in the Metro Plan that would need to be amended to allow the extension of wastewater to Goshen, the Short Mountain Landfill, and the City of Creswell are listed below:

Metro Plan Chapter II (Growth Management)

Policy #21: Cities shall not extend water or wastewater service outside city limits to serve a residence or business without first obtaining a valid annexation petition, a consent to annex agreement, or when a health hazard annexation is required.

Metro Plan Chapter III G (Public Facilities and Services Element)

Policy #26: Wastewater and water service shall not be provided outside the UGB except to the following areas, and the cities may require consent to annex agreements as a prerequisite to providing these services in any instance:

- a. *The area of the Eugene Airport designated Government and Education on the Metro Plan Diagram, the Seasonal Industrial Waste Facility, the Regional Wastewater Biosolids Management Facility, and agricultural sites used for land application of biosolids and cannery byproducts. These sites serve the entire metropolitan area.*
- b. *An existing development outside the UGB when it has been determined that it poses an immediate threat of public health or safety to the citizens within the Eugene-Springfield UGB that can only be remedied by extension of the service.*

The following definition in the MWMC IGA would also need to be amended:

MWMC IGA Appendix "A" – Eugene-Springfield Regional Sewerage Facilities Definition:

Service shall be provided only within the Urban Growth Boundary. Facilities shall be designed and constructed to that end, but may be constructed either inside or outside the Urban Growth Boundary.



M E M O R A N D U M

DATE: November 4, 2025

TO: Matt Stouder, Executive Officer
Metropolitan Wastewater Management Commission (MWMC)

FROM: Dan Hurley, Lane County Public Works Director

SUBJECT: Goshen/Creswell Wastewater Project Update

ACTION REQUESTED: Support for system expansion and connection cost methodology

ISSUE

The Lane County Board of County Commissioners (BCC) has been exploring the potential for development / redevelopment in the unincorporated community of Goshen for more than a decade with significant analysis into options for providing wastewater services to the area. County staff last updated the Metropolitan Wastewater Management Commission on January 13, 2023. At that meeting, the County updated the Commission on preliminary designs and estimated costs for connecting wastewater from Goshen and the Short Mountain Landfill to the MWMC system. County staff also highlighted other emerging wastewater needs outside the Eugene-Springfield Urban Growth Boundary that could potentially be served by MWMC, including the City of Creswell.

Since the last update to MWMC, Lane County has worked with the City of Springfield, the City of Eugene, and MWMC to better understand issues around existing system capacity and connection costs in order to address concerns about the potential impacts to existing MWMC ratepayers. With this update, County and MWMC staff will discuss the recent capacity analysis completed by MWMC and a proposed methodology for future connection costs for each of the potential new flows. If MWMC is supportive, Lane County will continue work to sponsor an amendment to the Eugene-Springfield Metro Plan to allow wastewater services to be provided outside of the current service area to Goshen, the County landfill, and the City of Creswell.

BACKGROUND

Goshen is located just south of the Eugene/Springfield metro area and contains more than 300 acres of industrially zoned land. The area has unique attributes including easy access to major transportation facilities (rail/highway/interstate) and close proximity to labor markets, making it an ideal area for industrial development rarely found in Oregon. Recognizing these attributes, the State of Oregon has designated Goshen as a Regionally Significant Industrial Area (RSIA); however, a lack of infrastructure (particularly wastewater) presents a significant barrier to development and investment.

Lane County has been working with consultants from Kennedy Jenks since 2014 to assess the feasibility of providing wastewater services to Goshen. Through these studies, the County determined that the most cost-effective method for providing wastewater services would be to connect to the Metropolitan Wastewater Management Commission (MWMC) wastewater system. At this time, MWMC policy does not allow for connections to Goshen because the area is outside the currently-defined service boundary.

The history of the Goshen wastewater project extends to 2011, when the County sought to facilitate regional economic development in the area. At that time, the BCC identified development in Goshen as a strategic goal and estimated that 2000-3000 industrial manufacturing jobs could be created on the existing industrial lands. To realize this goal, Lane County developed the Goshen Region Employment and Transition (G.R.E.A.T.) Plan that included obtaining an Oregon Statewide Land Use Planning Goal 14 (Urbanization) exception and a zoning change to allow urban levels of industrial development, to permit better utilization of the area's unique characteristics.

In 2015, the County completed a Wastewater Feasibility Study to demonstrate the feasibility of providing wastewater service to the Goshen area. The 2015 Study recommended connection to the Metropolitan Wastewater Management Commission (MWMC) regional system as it had the lowest cost and highest environmental benefits of the three alternatives considered for wastewater treatment.

In 2017, the County completed a Financial and System Administration Study that estimated connection charges for the MWMC connection. The 2017 Study also identified system administrative functions that would be required for the operation of the Goshen wastewater system. The 2017 Study reviewed several alternatives for system governance, ultimately recommending the Goshen facilities to be incorporated into the MWMC regional system, with allocation of O&M and administrative functions to regional partners City of Eugene and City of Springfield.

In August 2018, the BCC directed Lane County staff to pursue the next phase of work on a wastewater feasibility study. This phase, called the Project Definition phase, included updating construction cost estimates, development of a permitting plan and project schedule, and recommendations for proposed pipelines and pump stations.

On November 19, 2019, Lane County provided a project overview to the MWMC, noting that an amendment would be needed to the Metro Plan and the Intergovernmental Agreement (IGA) established by the MWMC governing bodies to allow a wastewater connection to service the Goshen area. With a connection to Goshen, the trucking of leachate from the Short Mountain Landfill to the Glenwood receiving station could be eliminated, via a piped conveyance to Goshen and the MWMC system.

In February 2022, Lane County completed a *Project Definition Report (PDR)*, that refined the conceptual planning and financial estimates from the 2015 and 2017 studies. The PDR includes route evaluations for gravity sewers and pressure force mains as well as capital cost estimates, connection costs estimates, and a Permitting Plan with anticipated timelines.

In early 2023, Lane County conducted work sessions with the City of Springfield and the City of Eugene, and on April 4, 2023, Lane County facilitated a meeting of the Joint Planning Commission with planning commissioners from the City of Springfield, the City of Eugene, and Lane County. Each of these entities expressed the need for more information about existing capacity in the system and more information on connection charges to ensure that current ratepayers would not be negatively impacted by allowing new connections outside of the existing service area.

In November 2024, Lane County received a presentation from the City of Creswell on the City's wastewater system and held a discussion on the feasibility of Creswell connecting to the MWMC system. The City of Creswell's wastewater treatment plant is currently unable to meet discharge permit requirements from the Department of Environmental Quality (DEQ). The City is operating under a Mutual Agreement and Order (MAO) with the DEQ and must upgrade their treatment facility if they are not able to connect to the MWMC regional system. The Board discussed the challenges that the City of Creswell is facing with a moratorium on new housing and potential public health risks of wastewater system discharges into the local waterway.

In December 2024, the Board approved initiating an amendment to the Eugene-Springfield Metropolitan Area General Plan (Metro Plan) to authorize an extension of MWMC services to the City of Creswell and to submit a five-million-dollar Water Resources Development Act (WRDA) funding request to the U.S. Army Corps of Engineers for design services related to extension of a sewer line to serve the City of Creswell.

Throughout 2025, as Creswell's wastewater issues have risen to a State-level concern, the Governor's Office of Regional Solutions facilitated numerous conversations with stakeholders. Three workgroups were formed to explore potential financing for construction, to coordinate work on a Metro Plan amendment, and to advance engineering designs.

In August 2025, Jacobs Solutions, Inc. presented a report to MWMC on a *Preliminary Evaluation of Additional Creswell/Goshen Loads on MWMC System Capacity* (attached). The evaluation utilized projected flow and load estimates

provided by Lane County and the City of Creswell to determine the capacity impacts of potential additional flows and loads from Creswell/Goshen. Flows and loads were modeled under elevated buildout conditions through 2045 completed for the MWMC Comprehensive Facilities Plan Update. A detailed analysis is provided in the Jacobs memo. At a high-level, the evaluation found that the system has adequate existing capacity except for the Glenwood Pump Station and Force Main. Other system impacts included shortening the timeline for needing a fifth anaerobic digester by six years and additional annual dewatering operating hours with existing Belt Filter Press equipment.

In October 2025, Kennedy Jenks and the Galardi Rothstein Group (GRG) provided connection cost estimates for Goshen, the Short Mountain Landfill, and the City of Creswell utilizing the MWMC SDC Methodology (attached). The cost estimates were based on a 2017 study that was updated in 2019 and again in 2023.

DISCUSSION

1. Metro Plan

Previously hearing support from MWMC for expansion to serve Goshen and the Short Mountain Landfill, Lane County intends to move forward with hearings, deliberations, and land use actions to pursue a Metro Plan amendment. The extension to Creswell is a recent development since the last update to the Commission. Lane County staff would like to hear if the Commission is supportive of including Creswell in the proposed Metro Plan amendment.

Over the course of the next few months, Lane County staff will conduct work sessions with the elected bodies of the City of Springfield, City of Eugene, and Lane County. Following these work sessions, Lane County will convene the Joint Planning Commission to restart the process to amend the Metro Plan, with the hopes of having adoption of an amendment by the Joint Elected Officials in the spring of 2025.

2. Capacity

MWMC program staff will discuss the preliminary capacity analysis. County staff would like to hear what analysis is needed to address the potential capacity concerns for the Glenwood Pump Station and Force Main. Lane County has engaged the City of Springfield to evaluate the capacity of the Springfield trunk line. The City will utilize an engineering firm to evaluate the capacity of the line for the potential addition of flows from Creswell.

3. Costs

The estimated connection costs (in 2023 dollars) are presented in the attached October 2025 draft memorandum, *Goshen MWMC and Springfield Cost Proposal*, from Kennedy Jenks. Lane County and the City of Creswell propose that the methodology contained in this memorandum would be the basis for future connection costs, understanding that the estimates will need to be updated again when MWMC completes their SDC study in 2026.

The proposal also discusses timing of payments. SDCs for flows that would immediately be entering the system would require SDC payments upfront. Whereas flows from Goshen, which may not come for many years, would incur SDCs when those additional flows materialize. The proposal also recommends a 5% out-of-network charge for the additional new flows to account for additional difficult to quantify expenses such as administrative burden and additional wear and tear on pumps and treatment equipment.

The County would like to hear if the proposed methodology and the timing of payments are acceptable to the Commission.

RECOMMENDATIONS

1. Consider support to extending wastewater services to Goshen, the Short Mountain Landfill, and the City of Creswell.
2. Further evaluate potential capacity concerns identified in the preliminary analysis.
3. If supportive of the proposed system expansion, approve using the MWMC SDC methodology as the basis for future connection costs and the timing of payments as proposed in the October 2025 *Goshen MWMC and Springfield Cost Proposal* memorandum.

ACTION REQUESTED

Lane County requests written support from MWMC for extending wastewater services to Goshen, the Short Mountain Landfill, and the City of Creswell. The Joint Planning Commission and the Joint Elected Officials will want to understand MWMC's position and if there are any concerns that should be considered in their decision-making.

Attachments

1. *Preliminary Evaluation of Additional Creswell/Goshen Loads*, Jacobs Solutions, Inc., August 2025
2. *Goshen MWMC and Springfield Cost Proposal Draft Memorandum*, Kennedy Jenks, October 2025

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Preliminary Evaluation of Additional Creswell/Goshen Loads on MWMC System Capacity

Date:	August 29, 2025	2020 SW Fourth Avenue
Project name:	MWMC Comprehensive Facilities Plan Update (P80101) Additional Services Work Request	3rd Floor Portland, OR 97201 United States
Project no:	P80101	T +1.503.235.5000
Attention:	Bryan Robinson/MWMC	www.jacobs.com
Company:	Jacobs	
Prepared by:	Corey Klibert/Jacobs Shad Roundy/Jacobs	

Purpose

The objective of this memorandum is to document preliminary results of an evaluation of additional projected buildout flows and loads from Creswell and Goshen on the Metropolitan Wastewater Management Commission's conveyance and treatment systems, conducted as part of the ongoing Comprehensive Facilities Plan Update (CFP Update).

Introduction

MWMC contracted Jacobs to assist in developing a CFP Update. The last Facilities Plan was completed in 2004 (CH2M HILL 2004); since then, MWMC has been committed to reviewing and enhancing its processes, infrastructure, and capacity to meet the demands of the next 20 years.

The communities of Creswell and Goshen are interested in establishing connections to the MWMC wastewater conveyance and treatment system and have independently developed projected flow and load estimates of the raw wastewater that would be discharged to the MWMC.

Methodology

Flow and load projections for Creswell and Goshen used for this analysis were taken from Tables 2.11 and 2.16 of the Goshen Wastewater Project Definition Report (Kennedy/Jenks, February 2022) and Tables 3-3 and 3-4 of the City of Creswell Wastewater Facilities Plan (West Yost, May 2025). The projections for 2045 from the original source documents are reproduced below Tables 1 through 4, along with Jacobs' additional assumptions for important parameters not included in the source documents in Tables 5 and 6.



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Table 1. Creswell Projected Near-Term 2045 Influent Flows*Reproduced from Table 3-3 of City of Creswell Wastewater Facilities Plan (West Yost, May 2025)*

Condition	Flow Value, mgd	Peaking Factor
AAF	1.3	2.2
Dry Weather (June 1 - October 31)		
BF	0.58	1
ADWF	0.7	
MMDWF	1.9	
MDDWF	2.9	
Wet Weather (November 1 - May 31)		
AWWF	1.7	3
MMWWF	3.8 (Flow Equalized to 3.0 mgd)	6.5 (5.2)
MWWWF	4.5 (Flow Equalized to 3.0 mgd)	7.7 (5.2)
MDWWF	6.3 (Flow Equalized to 3.0 mgd)	10.8 (5.2)
PIF	9.6 (Flow Equalized to 3.0 mgd)	16.6 (5.2)

Table 2. Creswell Projected Near-Term 2045 Influent Loads*Reproduced from Table 3-4 of City of Creswell Wastewater Facilities Plan (West Yost, May 2025)*

Statistic	Loads, ppd		AAL Peaking Factor	
	BOD	TSS	BOD	TSS
AAL	1,100	1,100	1	1
Dry Weather (June 1 - October 31)				
ADWL	1,100	1,100	1	1
MMDWL	1,400	1,300	1.3	1.2
MDDWL	1,700	1,400	1.5	1.3
Wet Weather (November 1 - May 31)				
AWWL	1,200	1,200	1.1	1.1
MMWWL	1,500	1,500	1.4	1.4
MDWWL	1,900	1,900	1.7	1.7

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Table 3. Goshen Flow Projections*Reproduced from Table 2.11 of Goshen Wastewater Project, Project Definition Report (Kennedy/Jenks, February 2022)*

Condition	Startup, gpd	Design, gpd	Peaking Factor
Average Dry Weather Flow	90,000	560,000	1.00
Maximum Month Dry Weather Flow	138,600	862,400	1.54
Maximum Month Wet Weather Flow	180,000	1,120,000	2.00
Peak Day Flow	306,000	1,904,000	3.40
Peak Hour Flow	360,000	2,240,000	4.00

Table 4. Goshen Design Load Projections*Reproduced from Table 2.16 of Goshen Wastewater Project, Project Definition Report (Kennedy/Jenks, February 2022)*

Parameter	Condition	Value
Demographics	Acreage	444
	Base Flows	560,000
	EDU's	1,867
BOD, ppd	Avg Annual	1,008
	Max Month	1,310
	Peak Day	2,621
COD, ppd	Avg Annual	2,352
	Max Month	3,058
	Peak Day	6,115
TSS, ppd	Avg Annual	1,120
	Max Month	1,568
	Peak Day	3,136
TKN, ppd	Avg Annual	162
	Max Month	211
	Peak Day	374

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Table 5. Creswell Projected Flows and Loads at 2045 Maximum Month Conditions with Additional Parameter Assumptions*Adapted from City of Creswell Wastewater Facilities Plan (West Yost, May 2025)*

Parameter	Value	Units	Comments
Flow	3	mgd	Equalized Flow, included in Table 3-3 of Creswell WFP.
Chemical Oxygen Demand (COD)	3,000	lb/d	No data provided. COD/BOD5 Ratio of 2 was assumed.
	120	mg/L	Creswell WFP assumption results in low strength wastewater.
5-Day Biochemical Oxygen Demand (BOD ₅)	1,500	lb/d	Included in Table 3-4 of Creswell WFP.
	60	mg/L	Creswell WFP assumption results in low strength wastewater.
Total Suspended Solids	1,500	lb/d	Included in Table 3-4 of Creswell WFP.
	60	mg/L	Creswell WFP assumption results in low strength wastewater.
Total Kjeldahl Nitrogen (TKN)	273	lb/d	No data provided. Assumed ratio of BOD ₅ /TKN of 5.5, adapted from <i>WEF Manual of Practice No. 8</i> .
	11	mg/L	Creswell WFP assumption results in low strength wastewater.
Ammonia	177	lb/d	No data provided. Assumption = 65% of TKN, similar to MWMC.
	7	mg/L	Creswell WFP assumption results in low strength wastewater.
Total Phosphorus	60	lb/d	No data provided. Assumed ratio of BOD ₅ /TP of 25, adapted from <i>WEF Manual of Practice No. 8</i> .
	2	mg/L	Creswell WFP assumption results in low strength wastewater.
Alkalinity	3,755	lb/d	No data provided. Assumed 150 mg/L
	150	mg/L	

Table 6. Goshen Projected Flows and Loads at 2045 Maximum Month Conditions with Additional Parameter Assumptions*Adapted from Goshen Wastewater Project Definition Report (Kennedy/Jenks, February 2022)*

Parameter	Value	Units	Comments
Flow	1.12	mgd	Included in Table 2.11 of Goshen WPDR.
Chemical Oxygen Demand (COD)	3,058	lb/d	Included in Table 2.16 of Goshen WPDR.
	327	mg/L	
5-Day Biochemical Oxygen Demand (BOD ₅)	1,310	lb/d	Included in Table 2.16 of Goshen WPDR, which assumed COD/BOD5 ratio of 2.3 (higher than typically observed at the WPCF).
	140	mg/L	
Total Suspended Solids	1,568	lb/d	Included in Table 2.16 of Goshen WPDR.
	168	mg/L	
	211	lb/d	Included in Table 2.16 of Goshen WPDR.

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Total Kjeldahl Nitrogen (TKN)	23	mg/L	
Ammonia	137	lb/d	No data provided. Assumption = 65% of TKN, similar to MWMC.
	15	mg/L	
Total Phosphorus	37	lb/d	No data provided. Assumed ratio of BOD ₅ /TP of 25, adapted from <i>WEF Manual of Practice No. 8</i> .
	4	mg/L	
Alkalinity	1,402	lb/d	No data provided. Assumed 150 mg/L
	150	mg/L	

The projected flows and loads for Creswell and Goshen were combined with the MWMC 2045 CFP Update projections presented in Tables 6-10 through 6-19 of Section 6.3 of the CFP Update (Jacobs, 2025). Maximum month loading rates for Creswell/Goshen have been used in lieu of max week and max two-week projections where applicable, as those were not defined in source material.

These combined projections were incorporated into the whole-plant process model developed for the CFP Update and described in Section 8.2.1 to simulate facility performance under elevated buildout conditions. The simulation results were then evaluated to determine the capacity impacts of the additional Creswell/Goshen contributions relative to the capacity limitations anticipated from MWMC flows and loads alone.

Observations and Conclusions

Conveyance System Capacity

For the MWMC Collection System, expansion of service to the City of Goshen and City of Creswell will have impacts on the following infrastructure based on estimated peak hour flows of 2.2 mgd and 3.0 mgd from each city respectively (total 5.2 mgd):

- In the CFP Update, the Glenwood Pump Station was evaluated for upsizing to serve existing and future flows in the Laurel Hill Basin and areas of the City of Springfield. Recommendations were to upsize the pump station to accommodate 5.8 mgd existing peak hour flow and 7.5 mgd future peak hour flow.
- An additional 5.2 mgd from Goshen and Creswell will require a major additional upgrade to the Glenwood Pump Station and Force Main or an independent Goshen/Creswell Pump Station will need to bypass the Glenwood Pump Station with an independent force main with similar length to the existing Glenwood Force Main crossing the Willamette River and discharging to the East Bank Interceptor. A Class 5 cost estimate (2025 dollars) for a 5.2 mgd pump station and 18-inch force main crossing the river (trenchless construction) is \$19-23 million. Costs will increase dramatically for longer force main segments from each of the cities to reach the river. The force main reaches from the cities to the river are excluded from the cost estimate.
- In the CFP Update, the East Bank Interceptor is shown to have adequate capacity for the existing service area and associated future growth during wet weather conditions. A hydraulic profile of future conditions for the East Bank Interceptor is shown in Figure 1 below for the existing service area. The hydraulic profile with additional flows of 5.2 mgd from Creswell and Goshen to the East Bank Interceptor is shown in Figure 2. The interceptor has adequate capacity with an additional 5.2 mgd with

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the pipeline flowing approximately full. Flow monitoring is recommended on the East Bank Interceptor to confirm existing capacity prior to any expansion of the service area to Goshen and Creswell.

- In the CFP Update, the Willakenzie Pump Station is shown to have adequate capacity for the existing service area and associated future growth during wet weather conditions with assumptions of low inflow and infiltration (I&I) allowance for new development (2,500 gallons per developed acre per day peak I&I flow) and targeted I&I reductions in the upstream City of Eugene and City of Springfield collection systems. The pump station is estimated to have available firm capacity plus excess capacity of approximately 5.2 mgd by 2045 to serve Goshen and Creswell. Beyond 2045, the pump station does not have excess capacity for growth in the existing service area with the addition of Goshen and Creswell. The available existing capacity could be initially used to serve the cities; however, MWMC would need to decide to build capacity for Goshen and Creswell likely within the next 10 years so that existing capacity may be reserved longer-term for growth in Eugene and Springfield beyond 2045. Additionally, improvements may be required sooner than 2045 if growth rates in Eugene and Springfield accelerate. A Class 5 cost estimate (2025 dollars) to expand the pump station capacity by 5.2 mgd, assuming that the force mains do not require upgrades, is \$15-17 million. Existing firm capacity of the Willakenzie Pump Station and future flows are shown in Figure 3. Pump station draw down testing and flow monitoring are recommended to confirm existing firm capacity of the Willakenzie Pump Station (127.5 mgd) and existing influent flows prior to any expansion of the service area to Goshen and Creswell.

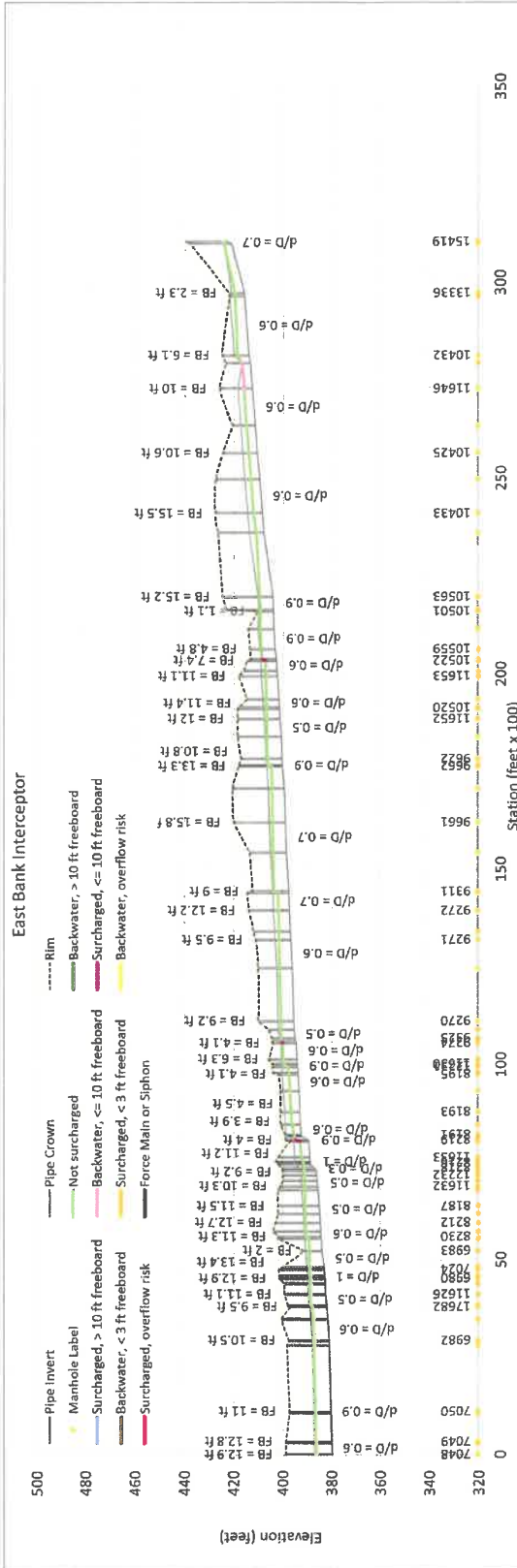


Figure 1. East Bank Interceptor Hydraulic Profile, Existing Service Area with Future Flows.

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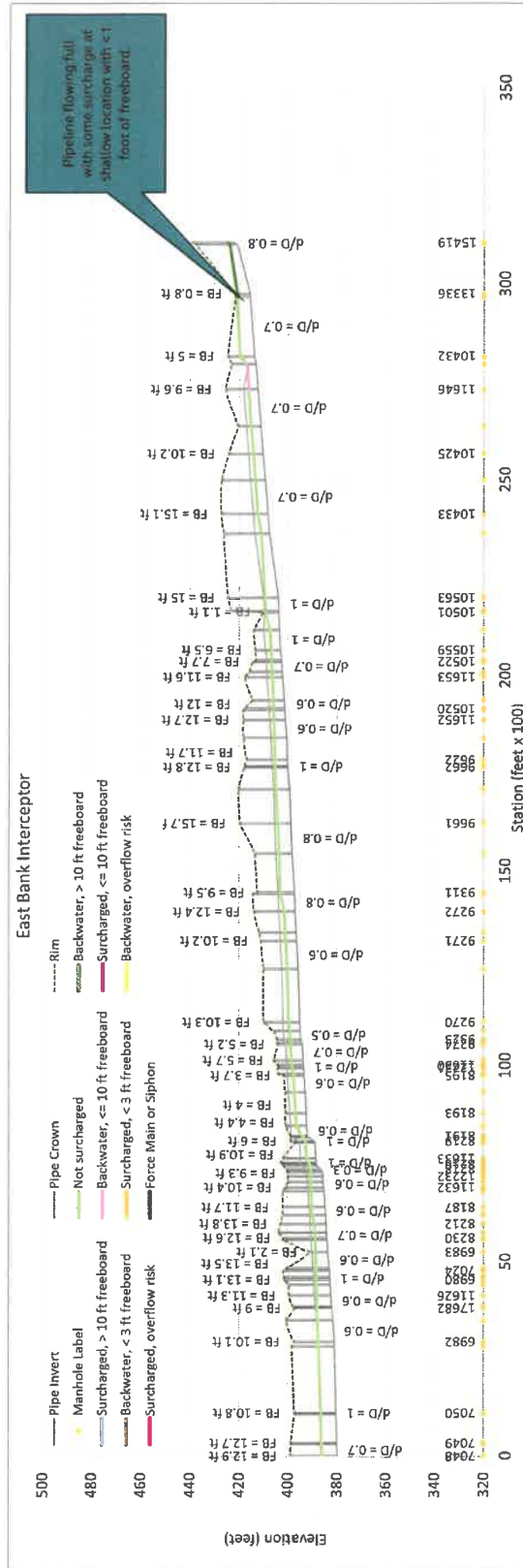


Figure 2. East Bank Interceptor Hydraulic Profile, Existing Service Area with Future Flows + 5.2 mgd Additional Flow.

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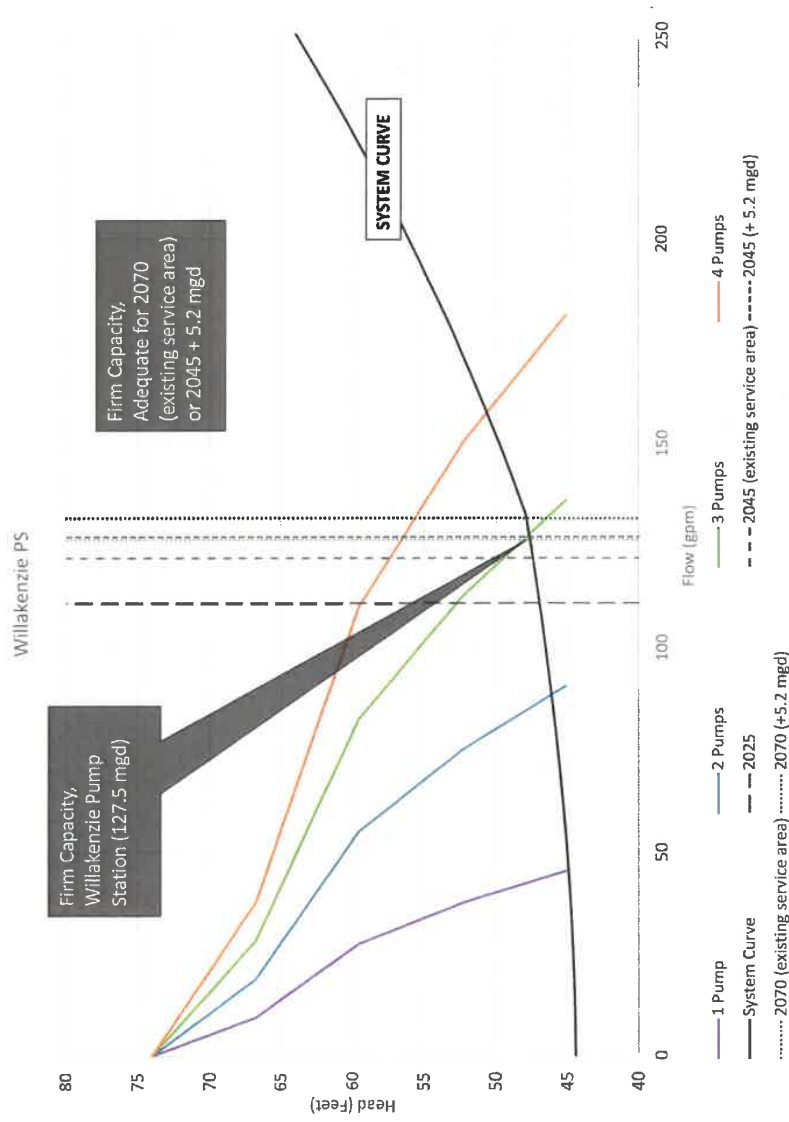


Figure 3. Willakenzie Pump Station and Pump Curves showing Existing Firm Capacity (largest pump out of service, 127.5 mgd). Future flows with and without the additional Goshen and Creswell flows (5.4 mgd) and associated capacity limits.

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Treatment System Capacity

Impacts to MWMC treatment system capacity from the projected Creswell/Goshen flows and loads are summarized on the following page in Table 7. Flow and load projections for the current service area were not extended beyond the year 2070 within the scope of the CFP Update. Consequently, the effects of incorporating additional flows and loads from Creswell and Goshen on the capacity trigger years for units with adequate capacity post-2070 have not been determined. The following subsections provide additional information about impacts to several unit processes.

Anaerobic Digestion Capacity

Firm capacity under maximum two-week storage conditions—a key digester design criterion—is projected to be reached by 2044 when accounting for Creswell/Goshen loads. This analysis assumes implementation of the thickening improvements recommended in the CFP Update, resulting in a digester feed concentration of 5% total solids. The additional Creswell/Goshen contributions advance the anaerobic digestion capacity trigger by approximately six years, necessitating construction of a fifth digester within the CFP Update planning period. This timeline is sensitive to the degree of thickening achieved at the WPCF and the accuracy of actual flows and loads relative to projections.

Aeration Blower Demand

Peak-day aeration demand is projected to increase by 5.8%, which exceeds other process impacts (2.6%–3.6%). This increase reflects both higher oxygen demand from additional loading and a slight reduction in aeration efficiency (alpha factor) predicted by the model. Despite these impacts, the future blower addition identified in the CFP Update will provide sufficient aeration capacity beyond the planning horizon.

Effluent TSS and Tertiary Filtration

Secondary clarifier performance and effluent TSS cannot be reliably predicted by process modeling due to inherent variability in biological settling characteristics (e.g., sludge volume index). Consequently, the impact on tertiary filtration cannot be quantified. However, accepting additional Creswell/Goshen loads is expected to increase the risk of elevated effluent TSS during peak conditions.

Belt Filter Press (BFP) Dewatering and Air Drying Beds (ADB)

Impacts on these solids handling processes depend on assumptions regarding volatile solids reduction (VSR) in the Facultative Sludge Lagoons (FSL), which are difficult to measure accurately. The percentage increase in loading is expected to align with the 3.6% increase projected for the FSL under Creswell/Goshen conditions, regardless of VSR assumptions. Additional loads will require increased annual dewatering operating hours, accelerating the need for an additional dewatering shift prior to the end of the planning period (2045). Since new lagoons and air drying beds are already recommended in the CFP Update, no additional capital improvements are anticipated as a result of Creswell/Goshen flows.

Table 7. Results of MWMC Treatment Capacity Assessment of Additional Flows/Loads from Creswell/Goshen.

Unit Process	Criteria	Units	Current Service Area		Current Service Area + Creswell/Goshen at Buildout	Percentage Flow/Load Increase	Percent Flow Load Increase per 1 mgd of add'l capacity (MM basis)	Capacity Criteria	Design Capacity	Creswell Fraction	Goshen Fraction	Comments
			2045 Conditions	Trigger Year								
IPS-1 and 2	PHWW	mgd	92.2	Beyond 2070	92.2	0.00%		Firm	99.9			C&G flows to Willakente PS, bypassing IPS 1&2
Screening	PHWW	mgd	254.1	Beyond 2070	259.3	2.10%	0.40%	Total	300	58%	42%	
Grit Removal	PHWW	mgd	254.1	2068	259.3	2.10%	0.40%	Total	275	58%	42%	Flow to PC limited to 170 mgd by peak flow strategy
Primary Clarification (PC)	PHWW	mgd	170	n/a	170	0.00%		Total	170			Assuming 1 additional turbo blower installed in 2045 as planned
Aeration Blowers	MODW	scfm	22435	Beyond 2070	23730	5.80%	1.20%	Firm	32000	53%	47%	Design SLR capacity limited to 85% of max theoretical for real-world conditions. Assuming 10 SC online (no redundancy required at peak hour conditions)
Activated Sludge /Secondary Clarification	MDWW	Solids Loading Rate (% of ideal max)	66%	Beyond 2070	68%	3.00%	0.60%	Total	85%	53%	47%	
Tertiary Filtration	n/a	mgd	11	n/a	11	0.00%		Total	11			Accepting Creswell/Goshen loads slightly increases risk of violation of effluent TSS
Disinfection Chlorine Contact Basins (CCB)	PHWW	mgd	254.1	Beyond 2070	259.3	2.10%	0.40%	Total	477.2	58%	42%	With CCB 1-4 and High-Rate CCB online; 15-min contact time
Plant Hydraulics	MDWW	mgd	224	Beyond 2070	228.9	2.20%	0.40%	Total	358.4	61%	39%	With CCB 1-4 and High-Rate CCB online; 20-min contact time
WAS Gravity Belt Thickening (GBT)	PHWW	mgd	254.1	2068	259.3	2.10%	0.40%	Total	275	58%	42%	Limited by Grit Removal
Anaerobic Digestion	M2WWW	lb/d	46410	2050	48091	3.60%	0.90%	Firm	48240	53%	47%	
	M2WWW	mgd	0.21	2050	0.217	3.30%	0.80%	Firm	0.215	53%	47%	With 3 digesters online, 15-day SRT, assuming digester feed thickening improved to 5% TS.
	M2WWW	lb VS/d	70151	Beyond 2070	72684	3.60%	0.90%	Firm	80013	53%	47%	With 3 digesters online, max VSLR of 0.18 lb VS/lb VS-digester volume/day
Facultative Sludge Lagoons (FSL)	MWWW	lb VS/d	31568	Beyond 2070	32700	3.60%	0.90%	Firm	34031	53%	47%	With 5 of 6 FSL online, assuming 2 additional FSL are constructed prior to 2045
Belt Filter Press Dewatering (BFP)	M2WWW	lb/d	35641	n/a	36924	3.60%	0.90%	Firm	38356	53%	47%	Additional loads will increase unit process operating time/utilization (additional shifts)
Air-Drying Beds (ADB)	MWWW	cf/year	5854	n/a	6065	3.60%	0.90%	Total	*	53%	47%	Additional loads will increase unit process operating time/utilization, buildout capacity with additional units not yet established

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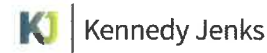
Jacobs Engineering Group Inc.

Recommendations for MWMC

To manage uncertainty around future Creswell and Goshen flows and loads, MWMC should focus on improving data accuracy and planning flexibility. Key recommendations include:

- Obtain detailed development information from Creswell and Goshen, including land use plans, expected industrial sectors, and projected water demands.
- Require early notification of new industries and preliminary wastewater profiles to support pretreatment planning and protect treatment capacity.
- Establish a formal data-sharing process among MWMC, Creswell, Goshen, and Lane County with regular updates on development activity.
- Continue scenario-based modeling using higher-than-expected loads and define clear capacity triggers (e.g., 85–90% utilization) for initiating capital projects.
- Develop a load tracking tool to monitor committed and projected flows and loads in real time.

These steps will help MWMC anticipate future needs, maintain compliance, and ensure reliable service as regional development progresses.



10 October 2025

Draft Memorandum

To: Dan Hurley, Lane County
Robert Woodard, Lane County

From: Deb Galardi, Galardi Rothstein Group
Ben Bosse, Kennedy Jenks

Subject: Goshen MWMC and Springfield Cost Proposal
K/J Project No. 2476014*00

Introduction

Lane County commissioned a study in 2014 to determine the feasibility of providing wastewater collection and treatment services to the unincorporated area of Goshen. A wastewater feasibility study was completed in January 2015 by Kennedy Jenks Consultants, Inc., which identified three potential options for providing wastewater services to Goshen. One of the options is for Goshen to be served through a connection to the Metropolitan Wastewater Management Commission (MWMC) via trunk sewers owned by the City of Springfield. Costs to implement this option would include connection costs to the MWMC and City of Springfield systems.

In 2017, Galardi Rothstein Group (GRG) completed an initial study to develop connection cost bases and estimates associated with providing wastewater service to Goshen and Short Mountain Landfill through the MWMC and Springfield systems. Since the 2017 study, GRG has twice updated the connection cost estimates for MWMC and Springfield, once in 2019 to reflect system cost inflation, and once in 2023 to update flow and asset data as well as system cost inflation.

This memorandum presents the most recent 2023 connection cost estimates with the following updates:

- Based on input from MWMC, an SDC approach has been selected for MWMC connection costs,
- Creswell connection costs have been included (see Attachment A),
- Costs associated with Short Mountain Landfill leachate flows have been separated out from Goshen flows.

MWMC Connection Costs

System development charges are assessed on all new development that connects to MWMC's regional wastewater system. The MWMC SDC model – most recently updated in May 2023 (for fiscal year 2023-2024) – follows a methodology that was developed in accordance with Oregon SDC legislation

(ORS 223.297-223.316), and includes a reimbursement for existing facilities, as well as recovery of future facility costs needed to expand system capacity to serve new development.

For purposes of charging future development in Goshen an equitable share of MWMC wastewater system capacity, the County recommends using a System Development Charge framework. Because MWMC is currently in the process of updating its SDC methodology and public facilities plan, the specifics of the methodology and SDCs to be charged will not be known until 2026. However, it is assumed that the updated methodology will reflect the following key elements, consistent with the current methodology:

- The SDC methodology will be based on a combined reimbursement and improvement structure. The reimbursement fee will be based on the value of existing system facilities with available capacity to serve future growth. The improvement fee will be based on MWMC's updated facilities plan and SDC capital project list.
- For purposes of determining an equitable share of system capacity costs, costs will be allocated across system capacity parameters that reflect system design criteria, including:
 - Flow (average and peak)
 - BOD (maximum month)
 - TSS (maximum month)
- Unit costs for each capacity parameter will be determined by dividing the growth-related reimbursement and improvement costs by the projected growth capacity requirements (including Goshen and Creswell) for the planning period.
- In addition to the improvement and reimbursement costs, the MWMC SDC methodology may include one or more adjustments to the SDC costs to reflect Oregon SDC statute compliance costs, capital improvement financing costs, or other factors.

Table 1 presents the 2023 SDC model connection costs, with Short Mountain Landfill costs separated from Goshen costs. It is assumed that even if the County currently pays a rate to MWMC for conveyance and treatment of leachate, the Goshen pipeline would constitute a new connection and a SDC charge would apply. The Landfill cost estimates have also been updated to reflect higher flow and maximum month BOD loading estimates from the Goshen Project Definition Report. It is important to note that costs shown in Table 1 will likely increase due to the 2026 MWMC's SDC update. The current SDCs are based on system assets from 2003 and do not collectively account for all the facilities (like renewable natural gas facilities) that are part of the system today. Furthermore, the revised SDCs will reflect updated cost projections for system capacity improvements.

Timing of Payments

The County proposes Goshen area SDCs would be paid as property develops in the future. Existing development in Creswell and the landfill would pay SDCs up-front when they connect to the system.



Table 1 – MWMC Connection Costs

Parameter	Unit Cost	Goshen		Landfill		Creswell		Combined	
		Units	Cost	Units	Cost	Units	Cost	Units	Cost
Max Month Dry Weather Flow	\$1,941,814	0.86	\$1,669,960	0.08	\$155,345	1.9	\$3,689,447	2.84	\$5,514,752
Peak Hour Wet Weather Flow	\$831,076	2.24	\$1,861,610	0.23	\$191,147	3	\$2,493,228	5.47	\$4,545,986
Max Month Dry Weather BOD	\$1,653	1310	\$2,165,430	1010	\$1,669,530	1400	\$2,314,200	3720	\$6,149,160
Max Month Dry Weather TSS	\$1,213	1568	\$1,901,984	174	\$211,062	1300	\$1,576,900	3042	\$3,689,946
Estimated MWMC Connection Cost			\$7,598,984		\$2,227,085		\$10,073,775		\$19,899,843

User Charges

Goshen and Creswell are outside the existing political boundaries of MWMC. It is common practice for utilities to charge a differential rate or an administrative fee on top of the regular monthly service charges for customers located outside the political boundaries. For example, the City of Salem charges a 7.5 percent rate surcharge for utility services provided to customers in unincorporated Marion County. The City of Redmond applies a 5 percent administrative fee to monthly billings from customers in the Terrebonne Sanitary District. The County recommends that a 5 percent rate surcharge be used for customers in Goshen and Creswell.

Springfield Connection Costs

In addition to the regional wastewater system, the flows from the Goshen system will utilize trunk sewers owned and operated by the City of Springfield. Based on information provided by the City of Springfield, the Franklin/McVey extension is anticipated to be at 50 percent capacity with projected flows of Springfield customers. When the Goshen flows are added, this line would be fully utilized, with 45 percent of the capacity from Goshen and 5% of the capacity from the Short Mountain landfill. It should be noted that the Springfield capacity discussion occurred prior to updating the Short Mountain Landfill peak flows as part of the Project Definition Report, which resulted in an increase of 160,000 gpd at the peak hour condition. Further discussion with Springfield is recommended to understand the impact of the landfill flow increase on capacity. Additionally, further discussion with Springfield is recommended regarding the Creswell flows, as described below. Springfield connection costs from the 2023 connection cost updates memo are summarized in Table 2.

Creswell costs have not been considered in this memorandum. Additional discussion is needed to understand the capacity of existing Springfield trunk sewers to accommodate the Creswell flows. The following excerpt is taken from the Creswell Wastewater Facilities Plan Update regarding Springfield connection costs for Creswell flows:

“As discussed in Chapter 5, the 2023 Cost Update TM indicates that Goshen will utilize 30 percent of the capacity of the Glenwood Trunk (with Springfield using an additional 30 percent) and 50 percent of the capacity of the Franklin/McVey Sanitary Sewer Ext (with Springfield using the remaining 50 percent). It is thus implied that an additional 40 percent of the Glenwood Trunk capacity is available for the Creswell, but no capacity is available in the Franklin/McVey Sanitary Sewer Ext. However, follow up discussions with City of Springfield staff indicate that this may not be an accurate assessment.”

Due to the uncertainties regarding available conveyance capacity, combined with the fact that the proposed peak flows from Goshen and Creswell are similar, it has been assumed that Creswell and Goshen would pay the same connection cost to Springfield as defined in the 2023 Cost Update TM. However, if it is determined that one, or both, of the conveyance pipelines requires expansion to accommodate the flows, additional costs could be incurred³. Discussions with City of Springfield staff are needed to finalize this assessment. For PIF related to the Springfield conveyance, Creswell could avoid sending flows during such events to prevent the need for capacity expansion of the Springfield conveyance facilities.”



Table 2 – Springfield Connection Costs

Springfield Asset	Cost ^(a)	Goshen		Landfill		Combined	
		Share	Cost	Share	Cost	Units	Cost
Glenwood Trunk Sewer (30")	\$2,767,568	27%	\$747,243	3%	\$83,027	30%	\$830,270
Franklin/McVay Sewer (18")	\$4,039,061	45%	\$1,817,577	5%	\$201,953	50%	\$2,019,531
Debt Portion	\$467,143	45%	\$210,214	5%	\$23,357	50%	\$233,572
Estimated Springfield Connection Cost			\$2,775,035		\$308,337		\$3,083,372

Notes:

(a) Includes inflation and net present value of debt.



Chapter 6 Alternatives Considered

6.3.2.2 Goshen System Upgrades

To accommodate the additional flow from Creswell, the capacity of a portion of the facilities proposed for the Goshen wastewater system will need to be increased as follows:

- Approximately 3,540-feet of gravity sewer along Highway 99 between the Manhole 28 tie-in (shown on Figure C-3 of the 2022 PDR) and Pump Station No. 1 (shown on Figure C-3 of the 2022 PDR) will need to be upsized from 8-inch diameter pipe to an 18-inch diameter pipe.
- Pump Station 1, originally proposed to have approximately 2.5 MGD of capacity, will need to be upgraded to a 5.5 MGD capacity.
- The 18,400-foot long, dual force mains connecting the Pump Station 1 to the Springfield system (shown as Goshen Forcemain-South and Goshen Forcemain-West on Figure C-6 of the 2022 PDR) will need to be increased from 10-inch diameter pipelines to 12-inch diameter pipelines.

6.3.3 Connection Charges

System Development Charges (SDCs), also called connection charges, will need to be paid by the City for the use of existing capacity in the Springfield and MWMC facilities that are used for conveying and treating the City's flows. Charges for conveying and treating the Goshen flows were estimated in the 2022 PDR and refined in the 2023 Cost Update TM. For purposes of this Facilities Plan Update analysis, the information and methodology in the 2023 Cost Update were applied.

For the MWMC Connection Charges, two different potential costs were defined: one using an updated (2024) MWMC SDC model, and one using a buy-in model. The SDC model methodology is based on a combined reimbursement and improvement structure defined in accordance with Oregon law. With this approach, four capacity measures are used to develop the estimated SDC: average flow, peak flow, maximum month BOD load, and maximum month TSS load. The buy-in model requires new customers to "buy-in" to the existing system at a rate that reflects the past investments of existing customers in the regional system, where the current system value per connection can provide a reasonable estimate of the cost that the utility will incur to provide capacity for new development. Additional discussion with MWMC will be necessary to better define if these models will be appropriate for the combined Goshen/Creswell project.

In addition to the regional wastewater system, the City and Goshen will need to utilize trunk sewers owned and operated by the City of Springfield. Specifically, the flow will be conveyed through the 18-inch Franklin/McVey sewer extension, and the 30-inch Glenwood trunk sewer between the Franklin/McVey Extension and the Glenwood Pump Station.

To estimate connection charges for use of these pipelines, the percent of the total conveyance flow that will be attributed to the City of Creswell must be defined. However, the 2023 Cost Update TM indicates that the Franklin/McVey Extension is anticipated to be at 50 percent capacity with projected flows of Springfield customers and would be fully utilized when the Goshen flows are added. Therefore, it is unclear whether there would be available capacity for the Creswell flows in this pipeline. The Glenwood trunk sewer is a larger line, and it is estimated that Goshen's share of that line is estimated to be 30 percent of the total capacity. This would imply that there would be additional capacity available in this line for Creswell flows.



Chapter 6 Alternatives Considered

Discussions with Springfield conducted as part of this Facilities Plan Update indicate that there is some uncertainty as to whether there is available capacity to accommodate both Goshen and Creswell flows. Additional discussions with Springfield are needed to confirm the available capacity and flow percentage and whether an expansion of either pipeline is needed. For purposes of this analysis, it has been assumed that either there will be adequate capacity, or Creswell can hold flows during peak flow events using the WWTF equalization ponds – thereby not adversely impacting the capacity of the system.

6.4 ALTERNATIVE 2: MBR TREATMENT

The primary elements required for Alternative 2 include the new influent pump station discussed previously, an influent screening facility, peak flow diversion and equalization facilities, a fine screening facility, the MBR treatment system, and a biosolids treatment/storage facility. A site layout showing the location of these facilities is provided on Figure 6-7.

6.4.1 Influent Screening

The WWTF currently operates without influent screening, which has led to excessive trash accumulation in the pond. To address this issue, it is recommended that a multi-rake bar screening facility be included with this project. The screening facility would be located downstream of the Influent Pump Station and would be sized to accommodate future peak flows of 9.6 MGD. It is also assumed that only one mechanical bar screen will be installed, and that a bypass channel with a manual bar rack will be provided for bypass of flows when the mechanical screen is down for maintenance.

For this MBR alternative, the screening facility will also provide pre-treatment and help minimize head losses through the fine screening facility that is required upstream of the MBR facility.



Chapter 7
Selection of Preferred Alternative

7.1.1.3 Connection Charges

As discussed in Chapter 6, the Creswell connection charges were estimated using the values and methodology presented in the 2023 Cost Update TM (Appendix G). As described in the 2023 Cost Update TM, there were two models considered for establishing connection charges for Goshen:

- MWMC SDC Model:** This methodology was developed in accordance with Oregon System Development Charge (SDC) legislation (ORS 223.297-223.314) and includes a reimbursement cost for existing facilities, an investment cost for future facility costs needed to expand system capacity to serve new development, a decreased adjustment to account for future debt payments, and an increased adjustment to cover the costs of complying the SDC statutes.
- MWMC Buy-In Model:** Under this methodology, new customers are required to “buy-in” to the existing system, at a rate consistent with past investments. For this approach, a current system value per existing connection is developed to represent the costs that the utility will incur in the future to provide capacity for new development at existing service levels, and to equitably recover future costs from new development without placing a burden on existing customers.

Under both methodologies, unit costs are established in the 2023 Cost Update TM for the projected MMDWF, PIF, BOD MMDWL, and TSS MMDWL conditions. These unit costs can therefore be directly applied to the projected flow and loads from the City of Creswell to generate costs under both models. Table 7-6 presents the results of the SDC Model Methodology calculations, and Table 7-7 presents the results of the Buy-In Model Methodology calculations.

Area	Unit Cost ^(a) , dollars	Units ^(b)	Estimated Connection Cost, dollars
Flows			
MMDWF	1,914,814	1.9	3,689,447
PIF	831,076	3.0	2,493,228
Loads			
MMDWF	1,653	1,400	2,314,200
PIF	1,213	1,300	1,576,900
Total	-	-	\$10,073,775

(a) Defined in Table 5 of Appendix B in the 2023 Cost Update TM
 (b) Based on the flow and load characterization presented in Chapter 3, with the exception of the PIF. This value is based on the maximum assumed pumping capacity to the system as defined in Chapter 6.



Chapter 7 Selection of Preferred Alternative

Table 7-7. Estimated Connection Charges Based on the MWMC Buy-In Model

Area	Unit Cost ^(a) , dollars	Units ^(b)	Estimated Connection Cost, dollars
Flows			
MMDWF	2,277,269	1.9	4,326,811
PIF	1,142,727	3.0	3,428,181
Loads			
MMDWF	2,384	1,400	3,337,600
PIF	2,063	1,300	2,681,900
Total			\$13,774,492
(a) Defined in Table 7 of Appendix B in the 2023 Cost Update TM			
(b) Based on the flow and load characterization presented in Chapter 3, except for the PIF. This value is based on the maximum assumed pumping capacity to the system as defined in Chapter 6.			

The 2023 Cost Update TM defines a City of Springfield Connection Charge of \$3.08 million² based on the following information:

- The cost (inflated to current dollars) of the two truck lines that will convey the flow to the MWMC system (i.e. the Glenwood Trunk Sewer and the Franklin/McVey Sanitary Sewer Ext)
- The net present value (NPV) of interest paid on the debt portion of the costs for these facilities
- The percent of capacity within the pipelines that would be encumbered by the Goshen flows

As discussed in Chapter 5, the 2023 Cost Update TM indicates that Goshen will utilize 30 percent of the capacity of the Glenwood Trunk (with Springfield using an additional 30 percent) and 50 percent of the capacity of the Franklin/McVey Sanitary Sewer Ext (with Springfield using the remaining 50 percent). It is thus implied that an additional 40 percent of the Glenwood Trunk capacity is available for the Creswell, but no capacity is available in the Franklin/McVey Sanitary Sewer Ext. However, follow up discussions with City of Springfield staff indicate that this may not be an accurate assessment.

Due to the uncertainties regarding available conveyance capacity, combined with the fact that the proposed peak flows from Goshen and Creswell are similar, it has been assumed that Creswell and Goshen would pay the same connection cost to Springfield as defined in the 2023 Cost Update TM. However, if it is determined that one, or both, of the conveyance pipelines requires expansion to accommodate the flows, additional costs could be incurred³. Discussions with City of Springfield staff are needed to finalize this assessment. For PIF related to the Springfield conveyance, Creswell could avoid sending flows during such events to prevent the need for capacity expansion of the Springfield conveyance facilities.

² See Table 8 of Appendix B in the 2023 Cost Update TM.

³ As noted in Chapter 5, Creswell would also have the flexibility to temporarily reduce or stop discharge flows during peak flow periods. This approach could be an effective strategy for mitigating capacity impacts in the Springfield system and avoid the need to expand the pipeline capacity.



Chapter 7
Selection of Preferred Alternative

A summary of the total estimated Connection Cost discussed above is provided in Table 7-8.

Table 7-8. Summary of Estimated Connection Charges		
Area	Connection Cost Using MWMC SDC Method, dollars	Connection Cost Using MWMC Buy-In Method, dollars
MWMC Connection Charges	10,070,000	13,770,000
Springfield Connection Charges		3,100,000
Total	\$13,170,000	\$16,870,000

7.1.1.4 Summary of Estimated Alternative 1 Project Costs

A summary of the total estimated Project Cost for the Regional Approach (Alternative 1) is shown in Table 7-9.

Table 7-9. Total Project Costs for Alternative 1		
Area	Adjusted SDC Method, dollars	Buy-In Method, dollars
City-Owned Improvements		19,820,000
Goshen System Upgrades		7,230,000
MWMC Connection Charge	10,070,000	13,770,000
Springfield Connection Charge		3,100,000
Total	\$40,220,000	\$43,920,000



Metropolitan Wastewater MANAGEMENT COMMISSION



partners in wastewater management

MWMC Commission

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Dawn Lesley
Eugene Citizen

Alan Stout
Springfield City Councilor

Jennifer Yeh
Eugene City Councilor

Administration

Matt Stouder
MWMC Executive Officer
City of Springfield
225 Fifth Street
Springfield, Oregon 97477
(541) 726-3694
FAX (541) 726-2309

Operations

Michelle Miranda
Wastewater Director
City of Eugene
410 River Avenue
Eugene, Oregon 97404
(541) 682-8600
FAX (541) 682-8601

January 9, 2026

Dan Hurley, Lane County Public Works Director
Lane County Public Works Department
3050 N. Delta Hwy
Eugene, OR 97408
Sent electronically to: dan.hurley@lanecountyor.gov

Subject: Support for Goshen/Creswell Wastewater Project

Dear Mr. Hurley:

The Metropolitan Wastewater Management Commission (MWMC) has participated in multi-year discussions with Lane County and regional partners regarding possible wastewater connections from Goshen, Creswell, and the Short Mountain Landfill (the "Goshen/Creswell Wastewater Project"), with additional areas expressing similar interest. Following a presentation by Lane County staff to the MWMC Board, Lane County requested the MWMC Board provide a letter of support for the Goshen/Creswell Wastewater Project.

The MWMC Board has voiced its support for exploring these opportunities for wastewater connection, with the clear understanding that any out-of-service-area connection must not negatively impact the existing Eugene/Springfield service base or current ratepayers. Furthermore, the MWMC Board understands its role to make a recommendation to the Governing Bodies on this issue and the decision as to whether to amend the Eugene-Springfield Metropolitan Area General Plan (Metro Plan) to allow such wastewater connections lies fully with the Governing Bodies.

The MWMC recognizes the potential regional benefits of such connections, including:

- More cost-effective, regional solutions for protecting water quality through leveraging outlying area investment into the high-performance of the
- MWMC's treatment plant, resulting in a better water-quality outcome per dollar than new treatment plant upgrades could provide
- Opportunities to expand and diversify the MWMC's customer/rate base, in turn reducing overall cost burdens on internal and external ratepayers.

January 9, 2026

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- Increased resiliency and diversification of the regional wastewater system through joining assets such as expanding the land base for sustainable biosolids management and using existing community capacity to store and release wastewater flows to maintain more manageable wet weather practices.
- Positive economic and community outcomes through support of future housing and employment potential.
- Reduced truck traffic risks associated with hauling of landfill leachate in tanker trucks.

Preliminary evaluations indicate that the MWMC's regional treatment facilities can likely accommodate projected Goshen/Creswell flows without adversely affecting current ratepayers or system capacity. However, additional evaluation is necessary to fully understand and address:

- Conveyance and pumping system limitations.
- Required capital improvements.
- Long-term cost impacts and funding responsibilities.
- Regulatory, governance, and operational considerations.

Completing this work requires a level of study, coordination, and financial commitment that extends beyond the MWMC's responsibility to its existing service area. To move this opportunity forward, the MWMC supports the identification of a regional project manager or coordinating role to lead and resource the technical studies, cost analyses, and stakeholder processes. These efforts should be funded collectively by the jurisdictions and entities seeking connection to the regional system. The MWMC Board supports, in concept, expansion of the wastewater system to Goshen, Creswell, and the Short Mountain Landfill. However, the MWMC Board cannot make a recommendation to the Governing Bodies until these technical, cost, administrative and policy issues are further analyzed.

The MWMC remains committed to partnering in this process and to evaluating all opportunities that align with regional benefits while protecting the interests of the existing service base. Please share this letter of MWMC support with MWMC governing body and regional partners as helpful in advancing these efforts.

Sincerely,



Pat Farr
MWMC Board President

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: 1059 Willamette Redevelopment

Meeting Date: January 21, 2026
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Amanda D'Souza
Phone: 541-682-5540

ISSUE STATEMENT

At this work session, City Council will hear an update on the redevelopment of 1059 Willamette Street into a mixed-use, mixed-income housing project. Due to challenges in raising the financial equity needed for the project to move forward, the development team anticipates requesting additional Urban Renewal funds to support the project. Today, Council is asked to consider a request to extend closing by 6 months to allow the development team to adequately prepare their request, which Council, acting as the Agency Board, would consider at a future work session.

BACKGROUND

The building located at 1059 Willamette served as the Lane Community College (LCC) Downtown Center until 2012 when the new Mary Spilde Center opened at 10th Avenue and Olive Street. In January 2020, Council approved the use of \$500,000 of federal Community Development Block Grant (CDBG) funds to acquire the site in order to pilot an innovative, mixed-income, multi-unit housing project through the Land Acquisition for Affordable Housing Program, also known as the City's land bank program. The City acquired the site in April 2020.

The Council direction for this project was to pursue a mix of income-qualified and market-rate units, where 51 percent of the units are targeted to households earning up to 80 percent of Area Median Income (AMI) and 49 percent of the units are market-rate. The income-qualified housing will support an underserved population. There are very few housing options targeting households earning between 60 percent and 80 percent AMI, and households in this range typically do not qualify for other Affordable Housing options.

At the January 2020 work session, Council approved the use of a Request for Proposals (RFP) process for disposition of the site. In September 2020, Council approved RFP criteria and Council and the Agency Board together made \$1.1 million of public funds available with the RFP to reduce the anticipated financial gap.

The City received one submission in response to the RFP: a proposal from a development team led by deChase Miksis and Edlen & Company. Council approved terms for the disposition and redevelopment of the property to the development team in October 2021 and subsequently revised the terms in May 2023 and February 2024. Key project features include:

- 133 units, with 68 units for households earning up to 80 percent of AMI and 65 units to be rented at market rates without income qualifications;
- Providing support services to meet needs of all residents;
- Providing 10 set-aside units for survivors of domestic violence (in partnership with the Hope & Safety Alliance, formerly Womenspace);

January 21, 2026 Work Session – Item 2

- Design that builds on the historic main-street character of Willamette Street;
- Ground-floor incubator retail spaces;
- Opportunities for art, including a public gallery in the lobby and a mural wall; and
- Using cost-effective green building measures to be certified under the Earth Advantage Multifamily program.

In February 2024, the Agency Board considered a request from the development team for additional financial assistance in order to help address the growing gap resulting from increases in construction costs and interest rates. The Agency Board approved an additional \$740,000 of investment for project-related costs, bringing the total City and Agency financial assistance to \$1.84 million. In addition, the City is providing the land at no cost, and Council approved a 10-year Multi-Unit Property Tax Exemption (MUPTE) for the project in February 2024.

Progress and Current Status

Since approval of the additional funds and the MUPTE in February 2024, the development team has worked to make progress on the project and to prepare for construction. In 2025, they applied for and received approval on all permits needed to construct the building. The City's updated Environmental Review was approved in December 2024, as well as the Traffic Control Plan that will be used to mitigate the impacts the construction will have on 11th Avenue, Willamette Street, and the adjacent Downtown Transit Station.

Even with an investment of public funds, new multi-unit housing continues to face an uphill battle when it comes to securing funding, with developers and banks balancing high interest rates, high construction costs, and an unpredictable economic market over the past few years. The development team has been intending to pursue an even split between debt and equity for the project. The development team was able to secure the debt needed to maintain that even split for the project, however the combination of a challenging national economic environment and Eugene's position within that context resulted in them not being able to reach a sufficient rate of return to secure the needed equity investor(s). Without an option to significantly increase rents or decrease construction costs, the development team is refining a proposal for additional Agency funds to offset project costs and bring the rate of return for project equity in line with market realities.

Per the Council-approved terms, closing is currently required to occur by February 1, 2026. The development agreement originally set closing for February 1, 2025, but allowed for up to two six-month extensions if market-wide financing challenges impacted the development team's ability to secure construction financing. Both of those extensions have been exercised. In order to exercise those extensions, the development team demonstrated the steps they were taking to secure financing and that they met all other project requirements (e.g., submission of all necessary permit applications). The closing deadline is now February 1, 2026, with no other extensions allowed under the current development agreement.

If Council wishes to continue to pursue the development originally envisioned for this site, the development team will require additional time and additional financing. Because the City owns the property, Council will need to make the decision about whether to grant additional time. If Council grants an extension to the deadline for closing, the Urban Renewal Agency Board will be presented with a request for additional financing. Today, the Council is being asked to direct the City Manager to negotiate an amendment to the development agreement to extend the deadline for closing by six months, to August 3, 2026. The extension will allow the development team time to create a request

for additional funding that staff will bring to the Agency Board. The development team is currently working to get updated construction costs and to get updated term sheets with their lender and lead investor in order to bring a realistic request to the Agency Board.

If Council chooses to direct the City Manager to extend the closing date today, staff will bring the development team's funding request to the Agency Board this spring.

If Council chooses to not extend the deadline for closing, the development agreement between the City and the development team will expire. Because the City used federal CDBG funds to acquire the property, it must implement a housing project with at least 51 percent of the units affordable to households at or below 80 percent AMI. The City could redirect the site to be developed into an Affordable Housing development (with no market-rate units). Due to the existing pipeline of planned Affordable Housing developments, staff estimate it could take approximately 2 years for the project to be awarded the typical mix of state funding tools used to develop Affordable Housing. Alternatively, the City could implement a new RFP process to attempt to find an alternate development team. In the event a new team came forward, that team would likely also face the same challenging financial conditions that the current development team is facing.

RELATED CITY POLICIES

[Housing Implementation Pipeline \(HIP\)](#)

Encouraging compact development in the downtown core is one critical way to provide housing for our growing community. Increasing the number of housing units in the downtown core achieves other policy goals related to climate recovery and resiliency, compact development transportation efficiency, downtown vibrancy, and fiscal sustainability. Overall housing five-year goal O-5.2 is to increase the amount of housing downtown by 50 percent from 2021: an increase of over 1,000 units. The 1059 Willamette redevelopment will meet the Income Qualified five-year goal IQ-5.3a of supporting 133 units of mixed-income housing that includes moderate income (60 percent to 100 percent AMI) and market-rate units (assuming the increase in units is approved). The units would also contribute to the 180 mixed-income units forecasted in the HIP units pipeline.

[Eugene Downtown Plan](#)

- Downtown development shall support the urban qualities of density, vitality, livability, and diversity to create a downtown, urban environment.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.

[Climate Action Plan \(CAP\) 2.0](#)

CAP 2.0 includes multiple strategies that support the development of downtown and increase of compact housing in the downtown. Smaller homes tend to have a smaller carbon footprint during construction and use, and housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer trips.

[Envision Eugene Pillars](#)

- Provide ample economic opportunities for all community members.
- Promote compact urban development and efficient transportation options.

- Protect, repair, and enhance neighborhood livability.
- Provide for adaptable, flexible, and collaborative implementation.

Strategic Plan Goals: Urgent Community Needs

- Strategic Goal: Stabilize the cost of housing.
 - High-Impact Action: Support efforts to preserve and construct Affordable Housing units (rental and homeownership), Permanent Supportive Housing units, and Moderate-Income Housing units; includes developing local funding strategies.
 - High-Impact Actions: Develop Affordable Housing units with innovative funding strategies that specifically support protected classes' access to housing.
- Strategic Goal: Increase the vibrancy, economic vitality, and livability of downtown.
 - High-Impact Action: Continue to implement and increase the efficiency and effectiveness of development and redevelopment tools to support commercial activity.
- Strategic Goal: Advance climate action and community resilience to natural and human-caused disasters.
 - High-Impact Action: Decrease transportation-related emissions and make the transportation network diverse and adaptable through continued implementation of the Eugene 2035 Transportation System Plan and related compact development actions in Envision Eugene.
 - High-Impact Action: Continue to implement strategies from the Climate Action Plan 2.0 to improve and enhance efficiency and resilience of buildings in Eugene, including City-owned facilities.

PREVIOUS COUNCIL DIRECTION

January 29, 2020 Work Session

Councilor Yeh, seconded by Councilor Taylor, moved to authorize the City Manager to acquire the property of 1059 Willamette (formerly the LCC Downtown Center) using \$500,000 of Community Development Block Grant Funds.

Passed 8:0

Councilor Yeh, seconded by Councilor Taylor, moved to dispose of the property at 1059 Willamette (formerly the LCC Downtown Center) with the Land Acquisition for Affordable Housing property disposition process.

Passed 8:0

July 15, 2020 Work Session

Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to schedule a Public Hearing on the 1059 Willamette project in order to solicit public feedback on whether the project should move forward, as well as the appropriate funding mechanisms for the project. The City Manager is further directed to implement the proposed public engagement process.

Passed 8:0

[September 21, 2020 Public Hearing](#)

The public was invited to comment on a) whether the 1059 Willamette project should move forward, b) if so, how it should be funded, and c) draft criteria to be used in the RFP. Two speakers provided comments in support of the project.

[September 30, 2020 City Council Work Session and Urban Renewal Agency Board Meeting](#)

Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to release the RFP for disposition of the 1059 Willamette site using the RFP criteria and to identify the Gordon Lofts MUPTE Moderate Income Housing fee (an estimated \$400,000) as available funding in the RFP to support the 1059 Willamette project. Councilor Zelenka, seconded by Councilor Syrett, moved to add additional weighting to favor projects that continue affordable housing units up to 80 percent AMI past the 20-year period.

Passed 8:0

Agency Board Member Semple, seconded by Agency Board member Yeh, moved to direct the Agency Director to identify \$700,000 of Downtown Urban Renewal tax increment funds as available funding in the City RFP to support the 1059 Willamette project.

Passed 8:0

[June 9, 2021 Work Session](#)

Councilor Yeh, seconded by Councilor Syrett, moved to direct the City Manager to a) enter into exclusive negotiations with the deChase Miksis/Edlen & Company development team for the disposition and redevelopment of 1059 Willamette and b) return to Council with the proposed terms for action.

Passed 6:1 (Opposed by Councilor Semple)

Councilor Syrett, seconded by Councilor Yeh, moved to ask the City Manager to bring back to Council options for filling the proposed \$2 million gap in this project in order to set the rents at the Housing and Urban Development Fair Market housing value.

Passed 7:0

[October 20, 2021 Work Session](#)

Councilor Yeh, seconded by Councilor Zelenka, moved to approve the terms for disposition and redevelopment of 1059 Willamette and to authorize the City Manager to enter into a real property transfer agreement consistent with the approved terms.

Passed 5:0

[May 20, 2023 Meeting](#)

Councilor Keating, seconded by Councilor Zelenka, moved to approve revisions to the approved terms related to the closing date and completion of construction.

Passed 8:0

[June 12, 2023 Work Session](#)

Councilor Groves, seconded by Councilor Keating, adopted an amended Downtown Urban Renewal Plan for the Downtown Urban Renewal District, increasing the maximum indebtedness by \$50 million and expanding the list of projects eligible for Downtown Urban Renewal funds.

Passed 7:0

[February 28, 2024 Urban Renewal Agency Board Work Session and City Council Work Session](#)

Agency Board Member Keating, seconded by Agency Board Member Groves, moved to approve the use of \$740,000 of Downtown Urban Renewal tax increment funds to support the 1059 Willamette project.

Passed 8:0

Councilor Keating, seconded by Councilor Groves, moved to approve revised terms and authorize the City Manager to amend the development agreement consistent with the revised terms.

Passed 8:0

Councilor Keating, seconded by Councilor Groves, moved to adopt a Resolution Approving a Multiple-Unit Property Tax Exemption for Residential Property Located at 1059 Willamette Street in Eugene, Oregon (Applicant 1059 Willamette Investment, LLC).

Passed 8:0

COUNCIL OPTIONS

1. Direct the City Manager to negotiate an amendment to the development agreement to extend the closing date by 6 months to August 3, 2026

OR

2. Take no action on the development agreement but direct the City Manager to schedule a work session to discuss next steps for the development of the 1059 Willamette site.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends Option 1.

SUGGESTED MOTION

Move to approve the revised terms in Attachment A and to authorize the City Manager to amend the development agreement consistent with the revised terms included in Attachment A to extend the closing date to August 3, 2026.

ATTACHMENTS

- A. Proposed Revisions to Approved Terms for Transfer of 1059 Willamette Property
- B. Map of 1059 Willamette Property

FOR MORE INFORMATION

Staff Contact: Amanda D'Souza, Development Programs Manager

Telephone: 541-682-5540

Staff E-Mail: adsouza@eugene-or.gov

Proposed Revisions to Approved Terms for Transfer of 1059 Willamette Property

Buyer: Joint venture led by Edlen & Company and deChase Miksis

Seller: City of Eugene (“City”)

Property: Land (approximately 0.42 acres) located at 1059 Willamette Street (Map No. 17-03-31-14, Tax lot 12800)

Purchase Price: Property will be conveyed to Buyer for \$1.

Agreement: Following the City Council’s approval of terms, Buyer and Seller shall enter into a real property transfer agreement.

Due Diligence Period: Upon execution of the Agreement, Buyer will have a period of 180 days in which to review property information and to conduct on-site tests and studies to determine the condition of the property.

Environmental Condition: During the Due Diligence Period, Buyer will be able to perform environmental investigation to satisfy itself of the environmental condition of the property, the results of which will be provided to the Seller for review.

Federal Environmental Review: Buyer must meet the federal Environmental Review requirements related to contamination and toxic substances, noise levels, stormwater plan, and historic context.

Project Description: Buyer intends to develop a 6-story, 133-unit mixed use project, called the Montgomery. It includes: 68 income-qualified units available to households at 80% of Eugene’s area median income (AMI), which is a federally defined criterion, and 65 market-rate units. 10 of the income-qualified units will be set aside for survivors of domestic violence, in partnership with Hope & Safety Alliance (formerly Womenspace). Cornerstone Community Housing will provide resident services through their Healthy Homes program. The project will include pet amenities such as pet-care areas to exercise and wash dogs. The ground floor, facing Willamette Street and 11th Avenue will include commercial uses, such as low-rent spaces for start-up businesses. The project will also incorporate art through features such as a public gallery in the lobby and an outdoor mural.

Income-Qualified Rents and Affordability Period: For a period of 35 years after completion of the project, Buyer agrees to ensure that 51% of the units bear housing costs (rents and utilities) that are no greater than 30% of the HUD-published income limits for households at 80% AMI. Buyer shall also verify at move-in that these units are occupied by households that qualify as low-income (households with incomes up to 80% AMI). Compliance with this requirement shall be monitored with an annual certification to the City.

Financing: Prior to the closing of the real property transfer, Buyer shall demonstrate that all financing necessary for the project has been secured.

Closing Date: The closing of the transfer shall occur at commencement of construction, which will be no later than **August 3, 2026**. ~~February 1, 2025.~~

Completion of Construction: Project will be completed and begin occupancy no later than 20 months after the Closing Date.

MUPTTE: Buyer has stated their intent to apply for a Multi-Unit Property Tax Exemption. In such a case, the transfer of the property would then be contingent on the Council approval of the MUPTTE resolution.

City/Agency Financial Assistance: City and/or Agency will provide \$1.84 million in additional financial assistance for the Project. City and/or Agency, in its sole discretion, shall make such financial assistance available in the form of payments for system development charges (SDCs), building permit and related fees, electric-connection fees for the construction of the Project, demolition costs, asbestos abatement, and/or other project-related costs. The City will also provide facilitated permit review.

Brokerage Commission: Buyer is responsible for all real estate broker fees. No brokers represent either party.

Exclusive Negotiation: While negotiating the terms of the real property transfer agreement with Buyer, City will not enter into negotiations with any other party.

Right of Repurchase: In the event that the Buyer does not meet the construction and completion requirements included in the real property transfer agreement, the City has the right to repurchase the Property for \$1, the Buyer's purchase price.

Map of 1059 Willamette Project Site

