Option 1

RESOLUTION NO. 3229

A RESOLUTION OF THE CITY OF WILSONVILLE ESTABLISHING AND IMPOSING JUST AND EQUITABLE SEWER USER FEES AND REPEALING RESOLUTION NO. 2325 AND RESOLUTION NO. 1987.

WHEREAS, the City of Wilsonville provides sewer collection and treatment services; and

WHEREAS, the City of Wilsonville Fiscal Management Policies require sewer charges to be sufficient to finance all operating, capital outlay, debt service expenses, operating contingency and reserve requirements; and

WHEREAS, Wilsonville Code Section 3.111 provides that Council may from time to time establish and change by resolution fees and charges for connection to and use of the sewage disposal system; and

WHEREAS, in 2015 the City of Wilsonville has adopted a Wastewater Collection System Master Plan (Ordinance No. 766), including the list of sewer collection system improvement projects to address the City's need through the 20-year planning horizon; and

WHEREAS, in 2024 the City of Wilsonville has adopted a Wastewater Treatment Plant Master Plan (Ordinance No. 888), including the list of sewer treatment improvement projects totaling an estimated $122 million to address the City's need through the 20-year planning horizon; and

WHEREAS, the sewer user fee was last updated by City Council on October 3, 2011 (Resolution No. 2325) and has remained unchanged since January 1, 2014; and

WHEREAS, the City of Wilsonville has experienced significant construction cost inflation between 2021 and 2023, an estimated 53.8% increase nationwide as reported by the Federal Highway Administration; and

WHEREAS, a sewer utility rate study was initiated to determine necessary actions to address the effects of inflation on the sewer utility fund since the last study completed in 2011 and evaluate revenue requirements to address the operating and capital needs identified in the 2023 Wastewater Treatment Plant Master Plan; and

Option 1

WHEREAS, the 2015 Wastewater Collection System Master Plan Capital Improvement Project list was reviewed in detail and costs updated to present day estimates by the Community Development staff in preparation for the sewer rate study; and

WHEREAS, the City of Wilsonville has hired Financial Consulting Solutions Group, Inc. (FCS Group), an expert consultant in the field of utility rate setting, who has completed a fund analysis that provides an equitable system of user charges; and

WHEREAS, work sessions with the City Council regarding sewer user fees were held on April 21, 2025 and November 3, 2025, resulting in a preferred sewer rate structure and implementation schedule; and

WHEREAS, the rate structure reflects a base service charge designed to cover fixed costs, a volume charge computed from water consumed, and for certain industrial customers a high-strength charge for high levels of biochemical oxygen demand (BOD) and total suspended solids (TSS); and

WHEREAS, the City has duly issued a public notice of the proposed rate increase and mailed notices to Wilsonville residents and businesses on November 17, 2025, including several articles pertaining to the pending increase in the Boones Ferry Messenger as recently as December 2025 and held a public open house with interested sewer utility customers on December 2, 2025; and

WHEREAS, Resolution No. 1987 applies to sewer user fees and connection charges as well as sewer system development charges; and

WHEREAS, Resolution No. 2325 amended the applicable provision of Resolution No. 1987 as they apply to the sewer user fees and collection charges; and

WHEREAS, Resolution No. 3209 amended the applicable provision of Resolution No. 1987 as they apply to the sewer system development charges; and

WHEREAS, Resolution No. 3229 establishes new sewer user fees and connection charges and repeals Resolution No. 1987 and Resolution No. 2325, leaving in place Resolution No. 3209.

Option 1

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

PART I DETERMINATION & FINDINGS

PART II ESTABLISHED USER FEES FOR SEWER SERVICE

ARTICLE I DEFINITIONS AND EFFECTIVE DATES

ARTICLE II SEWER PERMIT AND INDUSTRIAL PRETREATMENT WASTEWATER DISCHARGE PERMIT FEES

ARTICLE III INDUSTRIAL PRETREATMENT WASTEWATER DISCHARGE PERMIT APPLICATION AND PERMIT TO DISCHARGE

ARTICLE IV OWNER(S) RESPONSIBILITIES

ARTICLE V USER FEES FOR SEWER SERVICE

ARTICLE VI APPEALS, PAYMENT, COLLECTION ENFORCEMENT AND DISBURSEMENT VALIDITY

Part I: DETERMINATION AND FINDINGS

A. The City Council adopts above recitals as findings and incorporates them by reference in support of this resolution.

B. The City Council has reviewed the proposed sewer fee for sewer services and finds the proposed fee to be rationally based and financially prudent.

Part II: ESTABLISHES USER FEES FOR SEWER SERVICE

ARTICLE I
Definitions and Effective Dates

Section 1. Definitions. For the purposes of this resolution, the following definitions shall apply:

A. "Base Charge" means the fixed portion of the sewerage charge pertaining to non-treatment costs, such as billing, collection system maintenance, and debt service.

B. "Unit" means 100 cubic feet and refers to the volume of water measured by the metered service to the customer.

Option 1

C. "Volume Charge" means the rate charge per Unit pertaining to the variable costs of the sewage system, such as treatment, asset maintenance, and pre-treatment services.

D. "Winter Average" means the average measured water consumption for the five-month period of November through March unless otherwise adjusted by the Finance Director for unusual conditions. If a house is vacant or service has been disconnected for one or more of those months or a new account is being established, the Winter Average shall be the system-wide average.

Section 2. Effective Dates. Sewer rates will be phased in over five years as reflected in **Exhibit A**. First increase shall be effective April 1, 2026. Subsequent increases shall be effective January 1, 2027, January 1, 2028, January 1, 2029, January 1, 2030. An inflationary increase based on the Consumer Price Index, West Region will be applied to the sewer rates on an annual basis effective January 1, 2031.

ARTICLE II

Sewer Permit and Industrial Pretreatment Wastewater Discharge Permit Fees

Section 1. To provide for the cost of processing a building sewer service connection permit, and a wastewater discharge permit, the following fees will be charged. The permit fees below shall be reviewed annually by the City Council. The Council may, from time to time, including, but not limited to, its annual review, increase fees giving due consideration to the increase in the Consumer Price Index, West Region from the month of the last increase to the month preceding the date of the review. The Council may take action to waive an increase in permit fees any year it is deems appropriate to do so.

Option 1

A. Building Sewer Service Connections

SERVICE CLASS	FEE
(1) Residential	
(a) Single-Family	$96
(b) Multi-Family	$312
(2) Commercial	$691
(3) Industrial	$691

B. Industrial Pretreatment Wastewater Discharge Permit Fees

(1) The initial pretreatment wastewater discharge permit fee shall be $594.

(2) The annual inspection and report fees for significant industrial users as defined in Wilsonville Municipal Code Section 8.4 shall be $1,662.

(3) Annual administrative costs for operating the industrial waste pretreatment program will be included in sewer rates with indirect costs prorated to all customers by meter size. Adjustments to the rates because of industrial waste pretreatment are listed in **Exhibit A**.

(4) Costs of testing and inspecting specific categorical or significant user discharges will be directly billed to the user.

ARTICLE III

Industrial Pretreatment Wastewater Permit Application and Permit to Discharge

Section 1. General

Each nonresidential user discharging, proposing to discharge or having the potential to discharge contributions of wastewater into the city sewerage system which meets any of the following criteria shall secure an Industrial Pretreatment Wastewater Discharge Permit from the city:

A. Is subject to national categorical pretreatment standards promulgated by EPA under Section 307(b) of (c) of the Clean Water Act (CWA);

B. Has in its waste toxic pollutants as defined pursuant to Section 307 and Section 502 of the CWA;

C. Has a non-domestic flow of 25,000 gallons or more per average work day;

D. Contributes more than 5 percent of the actual daily average dry weather hydraulic, organic or solids handling load to the city's wastewater treatment plant;

E. Is determined by the state or city in accordance with Wilsonville Code Section 8.400 *et seq.* to have significant impact or potential for significant impact to adversely affect the city sewerage system by either upset, inhibition, pass through of pollutants, sludge contamination or other means.

Section 2. Application

A. Existing non-residential users shall apply for a Wastewater Discharge Permit within ninety (90) days prior to connecting to or discharging to the city sewerage system.

B. Wastewater discharge permits are governed by the provisions of Wilsonville Code Section 8.400 *et seq*.

ARTICLE IV
Owner(s) Responsibilities

Section 1. General

A. The owner(s) of a property on which a building sewer is then connected to the public sewer shall be responsible for:

(1) Repair of all known sewer breaks, leaks, cracks and similar problems in all pipes, manholes, clean-outs and appurtenances to the building sewer which would cause ground or surface water to infiltrate or to flow into the building sewer either directly or indirectly. All costs involved in making repairs shall be borne by the owner(s).

B. The City shall have the specific right to inspect and test all building sewers to determine compliance with City, State and Federal requirements and the owner shall cooperate and not hinder the City's right to inspect and test.

Option 1

ARTICLE V
User Fees for Sewer Service

Section 1. Implementation of Fees

A sewer user fee is hereby imposed upon the user(s) of the City's wastewater collection, pumping, disposing and treating system. A high strength user fee is hereby imposed upon the commercial and industrial user(s) of the city's wastewater collection, pumping, disposing, and treating system, that discharge wastes having an average strength in excess of 250 mg/l of BOD or TSS.

Section 2. Pumping Units

Buildings that are served by pumping units shall be subject to the user fees provided by this Resolution.

Section 3. Initial Service

When sewer service is initially provided to any building(s), a sewer user fee shall be charged for each month a building sewer is connected to or discharged into the public sewer.

Section 4. Charge to Users

Sewer user fees are hereby charged to the user(s) of the property connected to the sanitary sewer. Users of the property shall include owners as well as occupants. Such charges are to begin at the time the connection has been accepted by the Community Development Department according to the standards set forth in the Construction Standards for the City of Wilsonville.

Section 5. Billing to Occupant

Sewer user fees shall be billed to an occupant unless otherwise notified in writing by owner of the serviced property. However, in the event of a delinquent account, the

sewer service may be disconnected under provisions of Article VI, Section 4, of this Resolution.

Section 6. Annual Increase of Fees

Sewer user fees shall be reviewed annually and increased for inflation based on the Consumer Price Index, West Region according to the schedule provisions of Article I, Section 2, of this Resolution.

Section 7. User Fees Within City

A. The sewer fees effective April 1, 2026, January 1, 2027, January 1, 2028, January 1, 2029, and January 1, 2030 are provided in **Exhibit A**.
B. Rates for service levels not defined. The City Manager or designee shall have the authority to establish and charge fees for service levels not otherwise defined in this Resolution. For any new account requiring a service level, defined by the meter size, not provided in this Resolution, the method for determining the customer's service charge shall be the sectional area of the undefined meter size in ratio to the sectional area of a 5/8" meter.
C. Water withdrawn without authorized service and wastewater discharged through unauthorized connection shall be charged at double the rates set forth above, from the date of commencement of such unauthorized use. Appropriate measures shall be immediately taken to prevent further unauthorized use. The City Manager or designee shall estimate the fee if metered consumption is not available. Imposition of such charges shall not act as a waiver of the City's right to take other actions as are authorized by law.
D. Base charge shall constitute the minimum monthly sewer use charge provided water service is provided and metered to the customer. Base charges are determined by the water meter providing domestic water service.
E. Volume charges shall be determined as follows for each customer type:

Option 1

(1) Single family residential units are based on Average Winter water use. The City Manager or designee may adjust volumes based on a request from the customer and valid information showing that the Average Winter volume as defined does not accurately reflect impact on the sewer system.

(2) Multi-family, commercial and industrial customers are based on the water volume as metered monthly for all non-irrigation only meters.

(3) For sewer customers that are not served by City water, the City Manager or designee will determine sewer volumes that are to be billed.

(4) Commercial or industrial sewer users whose domestic water consumption (excluding metered irrigation) is a minimum of three times greater than the measured sanitary sewer discharge rate are based on this flow measured from the discharge point of the building sewer into the public sanitary sewer and shall be based on the average hundred cubic feet discharged. The measurement period shall be one week or seven consecutive days. After six billing periods or six months, a new measurement shall be taken. Each measurement shall set the surcharge fee for the next six-month period.

(5) For any non-domestic pollutant discharger who is required to obtain a wastewater discharge permit and is required to measure discharge volumes, the sewer volume and BOD and TSS strengths shall be as established through the monitoring requirements as set forth by each individual discharge permit.

F. In addition to the volume charges, commercial or industrial sewer users who are required to obtain an industrial pretreatment wastewater permit and whose sewerage exceeds either a BOD strength of 250 milligrams/liter (mg/l) or a TSS strength of 250 mg/l shall pay an additional fee for treatment of high strength sewer wastes. Calculation of the monthly, high-strength, sewage fees shall be as follows:

(1) $$\text{BOD Fee} = Q \times \frac{(\text{BOD 5 monitored} - 250)}{1{,}000{,}000} \times 62.4 \text{ lbs/cf} \times 100 \times \text{BOD rate}$$

(2) $$\text{TSS Fee} = Q \times \frac{(\text{TSS monitored} - 250)}{1{,}000{,}000} \times 62.4 \text{ lbs/cf} \times 100 \times \text{TSS rate}$$

where,

(1) Q = Monthly volume in hundred cubic fee (ccf)

(2) BOD 5 Monitored = Average BOD 5 strength in milligrams per liter

(3) TSS Monitored = Average TSS strength in milligrams per liter

(4) BOD Rate = Rate for treatment of high strength BOD from **Exhibit A** in dollars per pound.

(5) TSS Rate = Rate for treatment of high strength TSS from **Exhibit A** in dollars per pound.

G. For example: An industrial user that used 5,187 ccf of water per monthly period with a BOD 5 of 290 mg/l and a TSS of 500 mg/l would pay:

(1) For BOD = $5{,}187 \times \frac{(290 - 250)}{1{,}000{,}000} \times 62.4 \times 100 \times \$1.20 = \$1{,}553.61$

(2) For TSS = $5{,}187 \times \frac{(500 - 250)}{1{,}000{,}000} \times 62.4 \times 100 \times \$1.20 = \$9{,}710.06$

H. Other sewer user charges may be established through the issuance of an industrial pretreatment discharge permit in order to recover potential or actual costs incurred by the City due to waste that adversely affects the sewer system or the environment.

Section 8. User Fees Outside City

All sewer users whose sewer connection is outside the City shall be billed two (2) times the applicable sewer rate to recover costs that City users pay on full faith and credit obligations and/or general obligation bonds.

Section 9. Franchise Fee

For the right to receive additional services from the general fund, a franchise fee is hereby imposed upon the sewer fund of the City in an amount equal to four percent (4%) of the gross annual revenue from sewer user charges. This fee shall be collected from the sewer users and remitted quarterly to the general fund.

Option 1

Section 10. Exception for Water Leaks

A. Sewer users will not be required to pay that portion of their sewer bill attributable to water leakage provided that:

(1) The leak is repaired at the water user's expense within 72 hours of notification by the City that a leak has occurred;

(2) The City, upon rechecking the water meter, concurs that the leak has been fully repaired;

(3) The leak discharged water into the sanitary sewer system;

(4) Exceptions from the 72 hour repair requirement may be granted in writing by the City Manager or designee when extenuating circumstances are recognized.

B. The sewer user's bill during the period of time when undetected leakage occurred shall be based on the average usage for the same period in the previous two years, adjusted for any approval of subsequent rate increases for the same period of time. When prior year billing information is not available, the City Manager or designee will determine the approximate billing based on bills for comparable properties.

C. This policy shall not apply to leaks that are reoccurring problems or those that are apparent as opposed to undetected leaks.

D. Only one credit may be issued to a customer during a twelve-month period.

Section 11. Applications and Deposits

Applications for City sanitary sewer services shall be by such forms and in such manner as provided by the Department of Finance. The applicant shall designate the property to be served and the user thereof. An owner of the premises who permits another to make application and/or use the city's sewer services shall also be deemed a user of city services. If a deposit is deemed prudent and cost effective by the Finance Director, a deposit shall be required in a sum which shall not be greater than an amount equal to an estimated 3 months' bill as determined by the Finance Department. However,

any resident of Wilsonville (a person who has established credit with the City of Wilsonville by having water and/or sewer service in his/her own name) will be allowed to move from one location within the city limits without having to pay a deposit if that resident has lived in Wilsonville for at least three (3) years, has City of Wilsonville water and/or sewer service in his/her name and has not been delinquent in paying for water and/or sewer service within the past three years.

Section 12. Refund of Credits

A. A refund of the user sewer service deposit will occur when a customer shows satisfactory credit performance for three years. If it becomes necessary to make one or more visits to enforce collection and/or shut off for non-payment during the three-year period, the City shall retain the deposit. The deposit will be held for an additional three years from the date of the last visit to the customer's premises for collection for non-payment of a bill. (Definition of visit - hand delivery of shut-off notice to the customer's premises. Definition of satisfactory credit- no water shut-off notices hand delivered and/or temporary shut-off of service for non-payment during a three-year period.)

B. A refund of the deposit will occur upon the applicant's requesting discontinuance of service provided that all outstanding bills are paid in full. The deposit may be applied to the final bill:

C. If an account is shut off for non-payment, the deposit shall be held as security until the outstanding balance is paid. The deposit will only be applied to the outstanding balance when the account is closed and no further sewer service is required by the customer. The remaining balance of the deposit not used to pay the outstanding bill will be refunded to the customer.

D. Upon refund of the cash deposit to the applicant for satisfactory credit performance or upon termination of service, the deposit shall be refunded together with interest thereon at the rate of one-half percent (1/2%) below the average annual interest rate received by the City. However, no interest shall be

allowed or paid by the City of Wilsonville on deposits which have been deposited with the City for less than 30 days. All cash deposits so paid to the City of Wilsonville by sewer users shall be credited by the Finance Department into a special account to be known as "Sewer Deposit Trust Account".

Section 13. Liability for Charges and Service Disconnection

All charges for sanitary sewer service furnished or rendered by the City of Wilsonville shall be chargeable to the current user of the property where sanitary sewer service is supplied and, in addition, all persons signing an application for the use of sanitary sewer service shall be personally liable for all charges accrued against the property designated within the application. Charges for sanitary sewer service are due in full on the last day of the billing month. Accounts are considered delinquent if payment has not been received by the first business day (defined as days excluding weekends or City-recognized holidays) of the following month. The City reserves the right to cut off and disconnect water service to the premises without further notice when changes for sanitary sewer service have not been paid within 20 days after the due date, and the expense thereof shall be borne by the user to which such service has been supplied. The City shall provide a minimum of 3 days' notice by phone call or by mail prior to water service disconnection to the user and mail notice to the owner, and by same-day notice by door hanger. The City further reserves the right to record a lien against the property for unpaid sanitary sewer service charges.

ARTICLE VI
Appeals, Payment, Collection Enforcement and Disbursement Validity

Section 1. Appeals Procedure

A. Any person aggrieved by a ruling under, interpretation of the provisions of this Resolution, or calculation made under the provision of this resolution may, within 30 days of the date of occurrence, submit a written appeal to the City Council of Wilsonville. The appeal shall set forth the events and circumstances leading to the

appeal, the nature of the ruling or interpretation from which relief is sought, and the nature of the impact of the ruling on appellant's property or business together with any other reasons for the appeal.

B. The City Council will set a date at the next regularly scheduled Council meeting to hear the appeal within thirty (30) days thereafter at a regularly scheduled council meeting and hear testimony, if deemed necessary. The decision of the Council will be final.

C. Appeal. A final decision of the City Council may be appealed by Writ of Review pursuant to ORS 34.010-34.100.

Section 2. Payment

Every person subject to a charge hereunder shall pay the same, when due, to the Finance Director of the City of Wilsonville.

Section 3. Collection

A. The Finance Director of the City is hereby directed to collect the sewer user fees as provided for herein.

B. Sewer user fees, when collected, shall be paid into a fund designated as the "Sewer Fund".

C. Sewer user fees, as herein before provided, shall be collected monthly and if not paid by the first business day (defined as days excluding weekends or City-recognized holidays) of the following month, said charges shall then be deemed delinquent.

D. Delinquent sewer service and service connection accounts shall bear interest from the day of delinquency at a rate of nine per cent (9%) per annum or five dollars ($5.00) per month, whichever is greater.

E. Payments returned for insufficient funds shall be subject to a processing fee to be determined by the City Manager or designee.

Option 1

Section 4. Enforcement

A. The Finance Director of the City may use such means of collection as may be provided by the laws of the state of Oregon or permitted by the Charter and Ordinances of the City of Wilsonville.

B. If a court suit or action is instituted to enjoin any unauthorized connections to or use of the sewage system, or for the collection of accounts, the City shall be entitled to collect, in addition to costs and disbursements provided by statute, such sum as any court, including any appellate court; may adjudge reasonable as attorney's fees in such suit or action.

C. The City may, after providing notice as described in Article V Section 13, discontinue sewer service and disconnect buildings from the City's sewerage system if sewer service charges and/or sewer impact fees, or other fees under this resolution, become delinquent; or if the safety, health or welfare of the citizens of Wilsonville may be jeopardized; or, without notice in the case of emergency affecting safety, health or welfare of its citizens; and the City may continue thereafter to refuse sewer service and sewer connections to such delinquent sewer user until all such delinquencies and interest are fully paid or until such safety, health or welfare problem is abated or cured.

Section 5. Disbursements for Interfund Transfers

The Finance Director may direct disbursements for interfund transfers generally through the annual budget process.

Section 6. Statement of Validity

The invalidity of any section, clause, sentence or provision of this Resolution shall not affect the validity of any part of this Resolution which can be given effect without such invalid part or parts.

Option 1

Section 7. Repeal of Existing Resolutions

By the adoption of this Resolution, Resolution No. 1987 and Resolution No. 2325 are hereby repealed.

Section 8. Effective Date

This Resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 16th day of March, 2026, and filed with the Wilsonville City Recorder this date.

_____

Shawn O'Neil, Mayor

ATTEST:

_____

Kimberly Veliz, MMC, City Recorder

SUMMARY OF VOTES:

Mayor O'Neil

Council President Berry

Councilor Cunningham

Councilor Scull

Councilor Shevlin

EXHIBITS:

A. Sewer User Fee Schedule