Lake Oswego Review

Lake Oswego approves wastewater treatment plant contract, 28% sewer rate increase

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The new wastewater treatment plant would be located adjacent to the current site in the Foothills District. (City of Lake Oswego/Courtesy)

Following years of fits and starts, the city of Lake Oswego's project to build a new wastewater treatment plant is moving forward.

During a meeting on Tuesday, Oct. 13, the Lake Oswego City Council approved a contract with Jacobs to design, build, operate and maintain a new plant in the Foothills District.

The new plant will be owned by the city of Lake Oswego — the current plant is owned by Portland — and is planned to be more environmentally sustainable, seismically resilient, less odorous and smaller.

The current Tryon Creek Wastewater Treatment Plant was built in 1964. The cost of designing and building the new plant will be $372 million and it will cost $6.5 million annually to operate and maintain. The city of Portland is paying for 30% of the costs.

For local residents, the project will mean a 28% sewer rate increase — or around $25–$30 per month for the average customer — starting in July 2027 followed by regular inflationary increases. The city chose this option rather than a more gradual rate increase because it would prove less costly to ratepayers in the long run.

“This is a significant investment in Lake Oswego’s future and in the essential services our community depends on every day,” said Mayor Joe Buck in a press release. “While the cost is substantial, continuing to rely on aging infrastructure carries operational risks of its own. By moving forward with this project in partnership with Portland, we’re investing in reliable wastewater service, cleaner water, and a more resilient system for generations to come.”

Demolition of the site is expected to take place in early 2027 and construction will take approximately five years to complete.

Jacobs is a water operations and maintenance provider that started in Corvallis and has continued for over 70 years in the Pacific Northwest. It was the only company that expressed interest in the project when the city conducted market outreach in 2024. The city’s previous agreement with EPCOR fell through after the two sides couldn’t come to a contract agreement.

“This project represents a generational investment in environmental stewardship and essential public services,” said Michelle Green, Jacobs’ vice president, in a press release “Jacobs is proud to partner with the City of Lake Oswego, not only to build this infrastructure, but to operate and care for it as well. It’s a responsibility we take seriously, and we’re honored to be part of something that will serve the community for decades.”

The city has utilized the eminent domain process to acquire property for the project and court records show that process isn’t fully resolved yet. Along with the treatment plant project, the city is eying redevelopment opportunities in the Foothills area.