



**City of  
McMinnville**



**Kent Taylor Civic Hall and VIA ZOOM  
200 NE Second Street  
McMinnville, OR 97128**

**Joint Work Session Meeting with the City Council and McMinnville Water & Light Commission Agenda  
Tuesday, June 8, 2021  
5:30 p.m. – Joint Work Session**

*Welcome! The public is strongly encouraged to participate remotely but there is limited seating at Civic Hall for those who are not able to participate remotely. However, if you are not feeling well, please stay home and take care of yourself. In accordance with Governor Kate Brown's **new face-covering mandate**, **all who wish to attend public meetings must wear a face mask or some kind of face-covering is required while in the building and you must maintain six feet apart from others.***

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*You can live broadcast the City Council Meeting on cable channels Xfinity 11 and 331,  
Ziply Fiber 29 or webstream here:  
[www.mcm11.org/live](http://www.mcm11.org/live)*

*You may join online via Zoom Meeting:  
<https://mcminnvilleoregon.zoom.us/j/91284210754?pwd=RjJlL01iSGJ1dE5nQmhubStmTjlaUT09>  
Zoom ID: 912-8421-0754  
Zoom Password: 981243*

*Or you can call in and listen via zoom: 1-253- 215- 8782  
ID: 912-8421-0754*

1. CALL TO ORDER JOINT WORK SESSION & ROLL CALL
2. MCMINNVILLE WATER & LIGHT COMMISSION UPDATES (Some of those updates include but not limited to):
  - a. Updates on projects over the last year and the upcoming year.
  - b. Update on Regional Water Efforts (Willamette River).
  - c. Update on Fuel Station.
  - d. Update on Zone 2.
3. ADJOURNMENT OF JOINT WORK SESSION

**Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice:** Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the City Recorder (503) 435-5702 or [Claudia.Cisneros@mcminnvilleoregon.gov](mailto:Claudia.Cisneros@mcminnvilleoregon.gov).



# Projects Update 2021

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A Community Owned Utility that Provides Reliable,  
Affordable Service

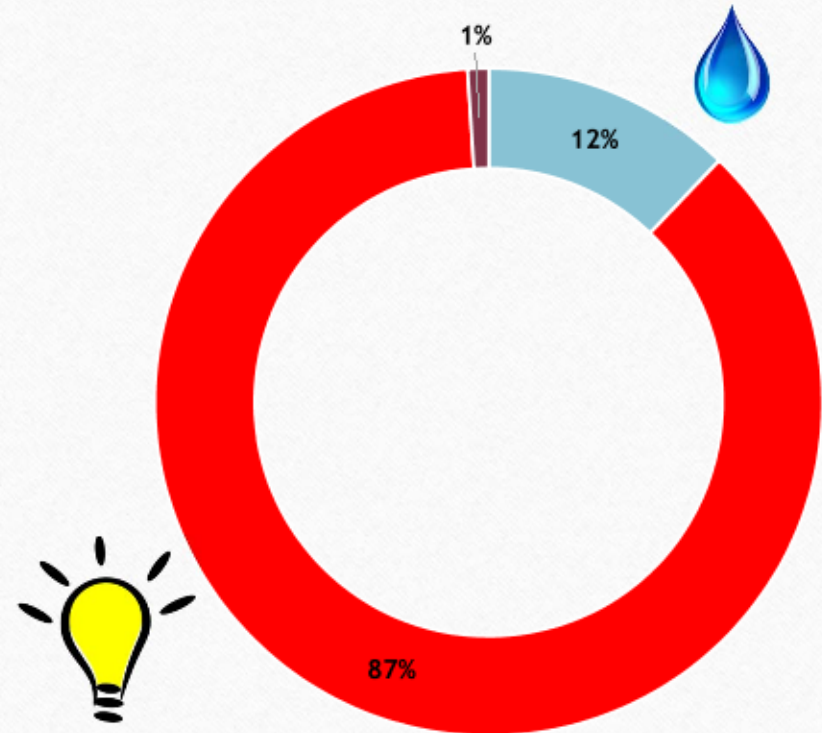


## MW&L's Budget

➡ **\$51,232,480** ⬅

- Light Division \$44,639,180
  - 75 square mile service territory
  - 17,290 customers served
  - 7 Substations
- Water Division \$6,545,300
  - ~12,000 customers served
  - 6,350 Acre Watershed
  - 3.5 Billion Gallons of Water Storage
- Fiber Division \$48,000
  - Serves City of McMinnville, McMinnville School District, & MW&L Facilities
  - 27.3 Miles of Fiber Optic Cable

FY2021-2022





# Power Purchases from BPA

**75%** of MW&L's Total Electric Operating Expenses in FY19-20 were  
Power and Transmission Costs from BPA

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711,168,090 kWh  
purchased

\$32,510,258





# ELECTRIC OPERATING EXPENSES

## FY 2019-20

Operations &  
Maintenance  
(Labor, Materials, etc.)  
\$8,875,843

20%

5%

PILOT- Payment in Lieu  
of Taxes to City of  
McMinnville  
\$2,087,189

75%

Power & Transmission  
Costs  
\$32,510,258

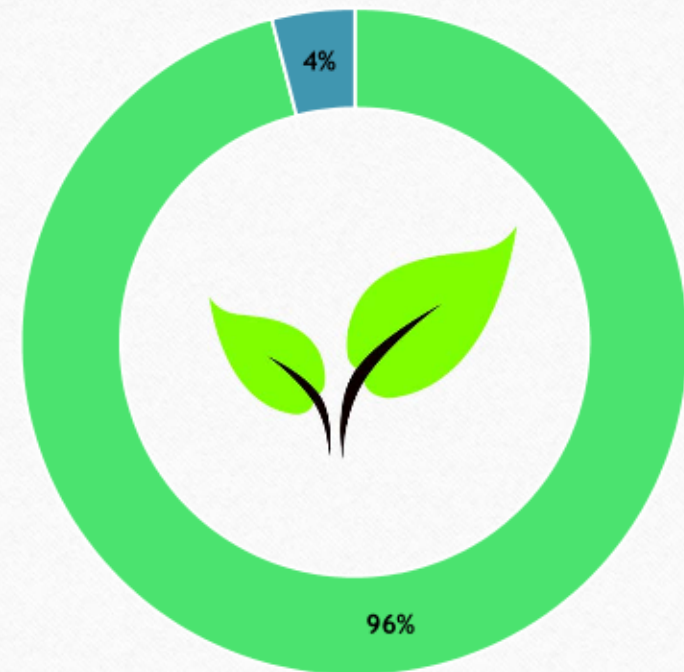


# MW&L's Power Resources

## → RENEWABLE ←

- Bonneville Power Administration
  - ~97% of MW&L's power supply
  - BPA's resource portfolio consists of 86% HYDRO, 10% nuclear, 4% other
    - **96% RENEWABLE**
- Grant County PUD - Priest Rapids and Wanapum dams
  - ~3% of MW&L's power supply
  - HYDRO generation
    - **100% RENEWABLE**
- Waste Management Renewable Energy - Riverbend Gas Plant
  - Currently re-marketed
  - Converts landfill gas to energy
    - **100% RENEWABLE**

## CLEAN AND GREEN







# MW&L Electric Customers

Percentage of Total McMinnville Load



Residential/Commercial

50%



Cascade Steel

Large Industrial Customer



5%

Air Liquide

Large Industrial Customer





# MW&L Rates



## Electric

- Robust, Reliable System
- One of the lowest rates in Northwest
- Rate Study (Cost of Service Analysis) is done every 2 years



## Water

- Plentiful Supply
- One of the lowest rates in Northwest
- Exceptional Quality



## Overall

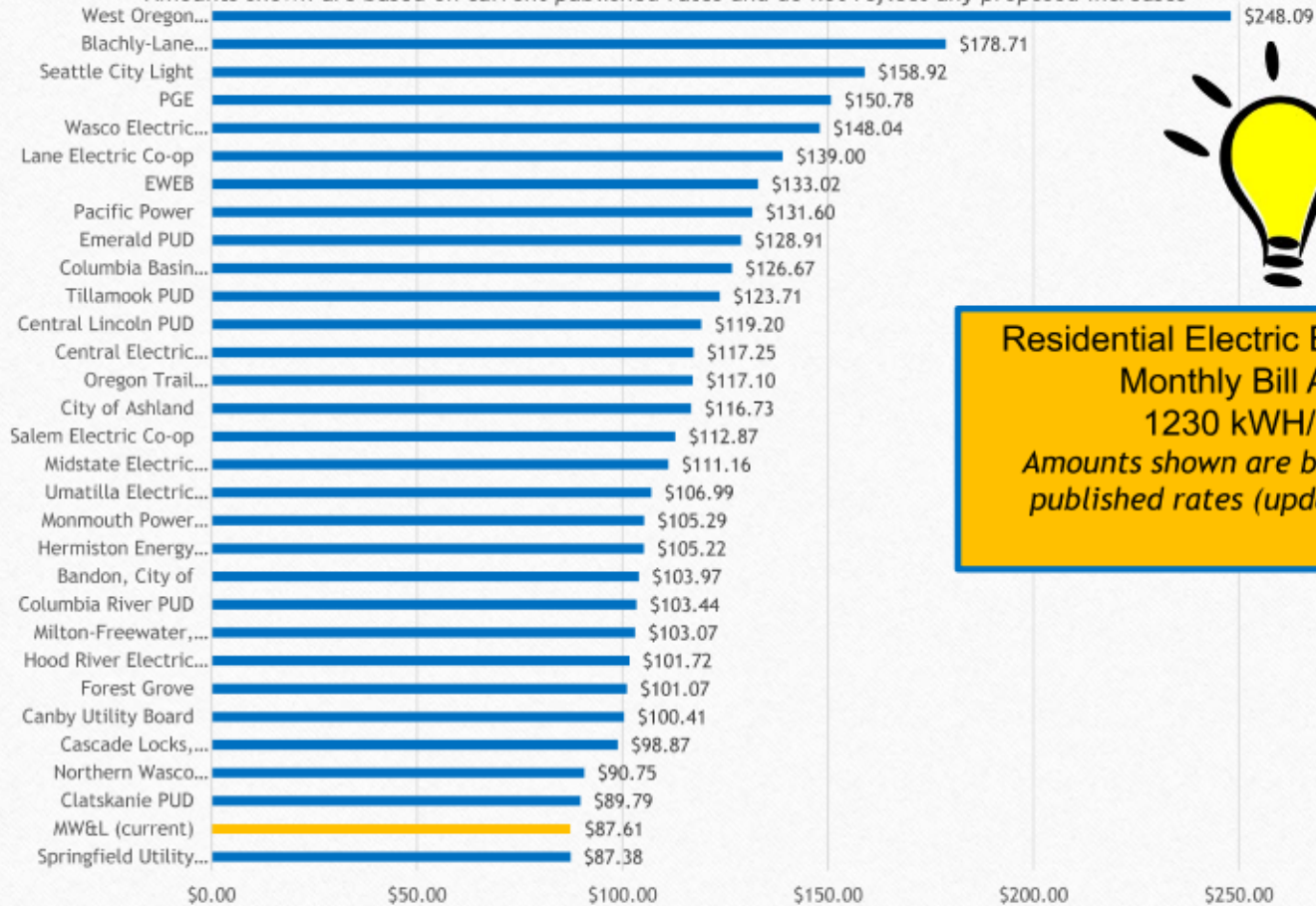
- Average Consumption-  
1,230 kWh \$87.61  
1,500 cubic feet \$38.61

**\$126.22**



## 2021 RESIDENTIAL RATE COMPARISON Monthly Bill for Average Residential Customer (1230 kWh/month)

*Amounts shown are based on current published rates and do not reflect any proposed increases*



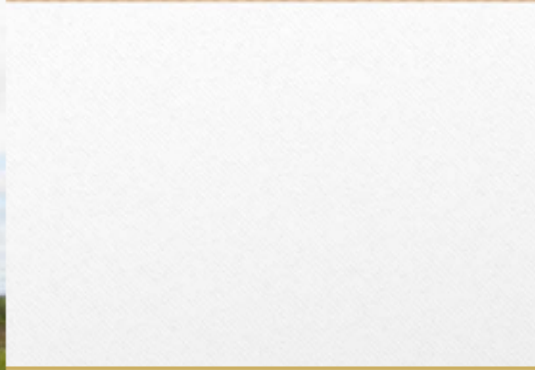
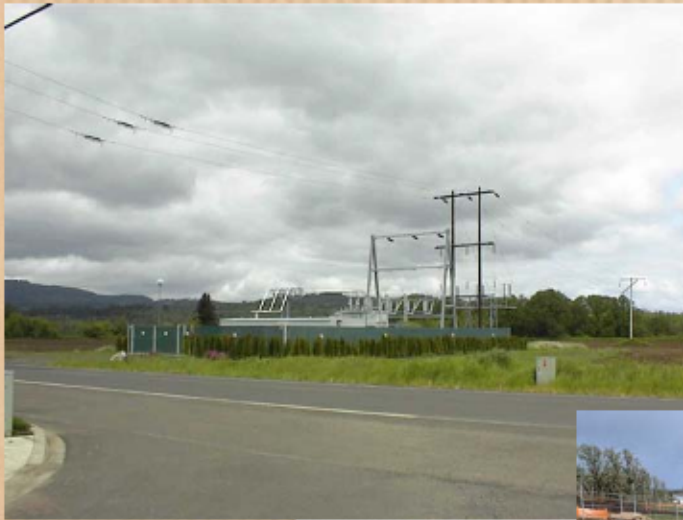
**Residential Electric Bill Comparison**  
**Monthly Bill Average**  
**1230 kWh/Month**  
*Amounts shown are based on current published rates (updated May 2021)*





# Electric Capital Projects

## Baker Creek Substation Expansion



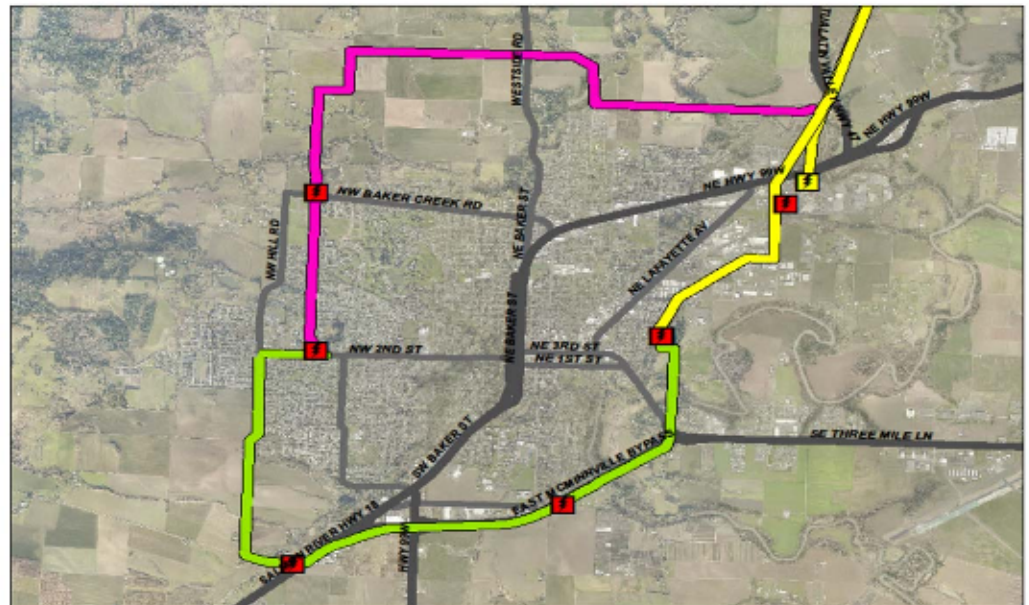
- Additional 1.15 acres purchased in 2018 to expand substation site.
- A second transformer has been delivered.
- Cost estimate- \$3.5 million
- Project is underway and completion anticipated by end of 2021





# Transmission Line Purchase Walnut City Tap Line

- In 2019, MW&L purchased approximately 4.5 miles of 115 kV transmission line from BPA for \$40,000.
- The purchase included 91 structures, 98 poles, and (2) 115 kV Switches, and associated rights-of-way.
- The line serves the Baker Creek and Walnut City substations.





# Electric Capital Projects

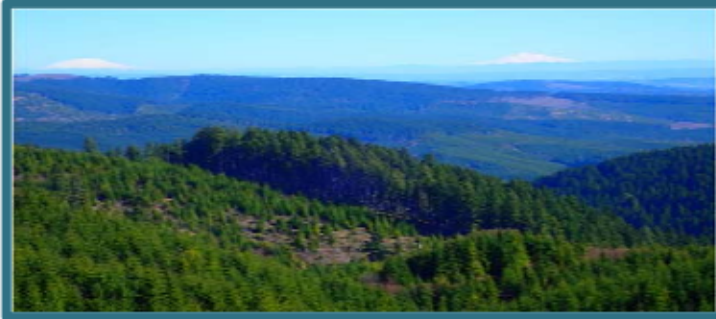
## Transmission Line Rebuild

- Replacement of ~1,300 ft. of transmission line from Walnut City Substation (2<sup>nd</sup> St.) to Hill Rd.
- Underground a portion of distribution line
- Installation of 2 Steel Transmission Poles
- Move facilities to north side of road
- Eliminate island at 2<sup>nd</sup>/Hill Rd.

Estimated Cost: \$600,000  
Scheduled to Begin: Summer 2021







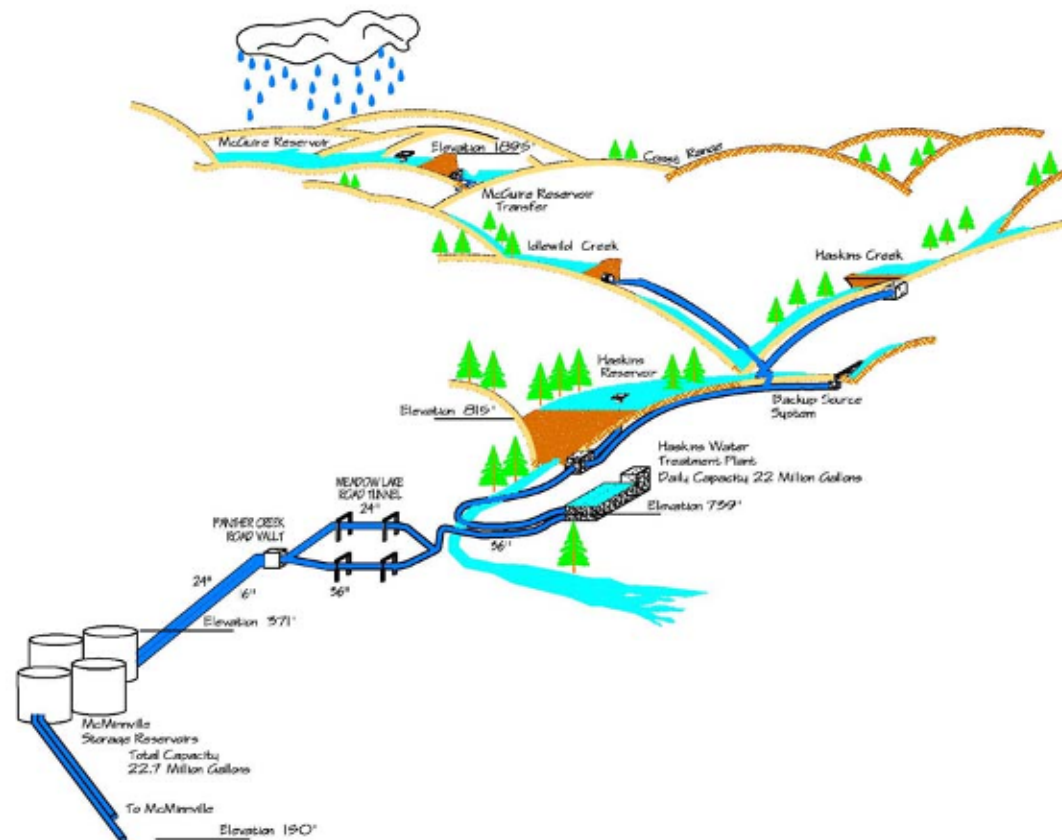
## Water System

- Own 6,350 acre watershed- sustainable timber harvests
- Revenue from Timber Sales helps fund water system capital projects
- Raw Water Storage Capacity of 3.5 Billion Gallons in 2 reservoirs
- 22 MGD Water Treatment Plant





# Water System Overview



# Water System Planning



Looking Behind Us with an Eye to the Future

**2010**

## **WTP Upgrade**

**\$30 Million**

MW&L completed an upgrade to Water Treatment Plant. Increased capacity from 13 MGD to 22 MGD (build out at 30 MGD).

**2011**

## **Joint Water Right**

The Cities of Carlton, Dayton, and Lafayette and MW&L applied for joint water right on Willamette River.

**2012**

## **YRWA Formed**

Yamhill Regional Water Authority was created to discuss and develop joint governance, financing, and operation of future regional water facilities along the Willamette River.

**2015**

## **Second Finished Water Tunnel**

**\$5.6 Million**

2,200' of 36" pipe bored through mountainside. This project provided increased capacity and redundancy from WTP to town.

**2016**

## **Water Right Purchase**

**\$3 Million**

MW&L purchased a (1982, 5.0 MGD) water right on Willamette River.



# Water System Planning



Continued

**2017**

## **Intake Site Purchase**

**~\$200,000**

MW&L purchased 5 acres along Willamette River for purpose of future intake site.

**2018**

## **Intake Site Feasibility Study**

**\$50,000**

Study done to evaluate property for location of future raw water pump station. Result of study was favorable.

**2019**

## **Transmission Line Project**

**\$4.3 Million**

Replaced 6,650' of 75 yr. old 16" steel main with 36" ductile iron.

**2019**

## **Water Right Purchase**

**\$2.9 Million**

MW&L Commission authorized purchase of (1954) water right on Willamette, pending OWRD approval.

**2020**

## **Transmission Line- Lafayette**

**\$2.5 Million**

Installed ~7,500' of 24" HDPE to sell surplus water to Lafayette. MW&L funded ~\$700K to upsize pipe for future regional water supply.





# Water System Planning

## What's Next for Regional System?

- ❖ **<2 Years** Acquire Property for future Water Treatment Plant.
- ❖ **2-3 Years** Obtain Easements from Property Owners for Construction of Water Transmission Main from Intake Site to future Water Treatment Plant.
- ❖ **3-5 Years** Obtain Permits and start construction for Intake Structure.

**Estimated Cost- \$15,000,000**

**\*Timeline dependent on funding\***





- On March 20, 2019 MW&L and the City of Lafayette entered into a Water Purchase Agreement, in which MW&L agreed to sell up to 500 gpm of potable water to the City of Lafayette.
- February 2020- Construction of the intertie project to join the two systems began and included installation of 7,560' of transmission main along the north side of Highway 18.



## Lafayette Finished Water Transmission Main Project

Water from MW&L began flowing to Lafayette

### July 1, 2020





## Zone 2 Construction

Current Proposed Buildout: 300-400 lots

*(Potential for additional lots)*

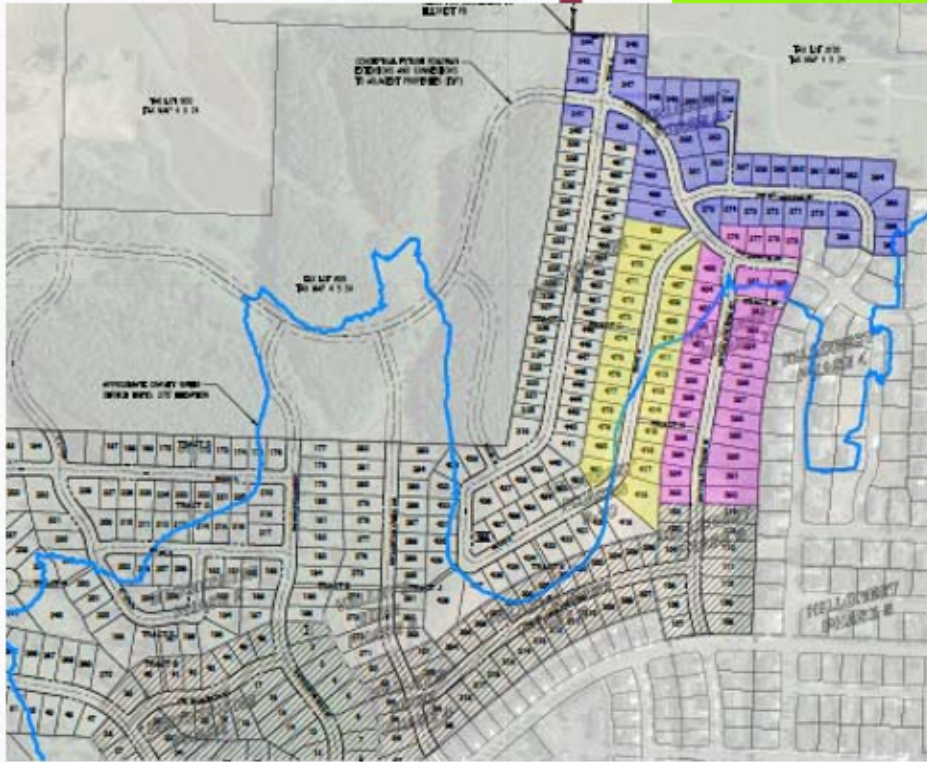
- MW&L does not have infrastructure currently in place to serve Zone 2 (above 272' elevation) with potable drinking water.
- MW&L's 2011 Water Master Plan foresees completion of Zone 2 infrastructure in 2024.
- Recent developer request to build within Zone 2.

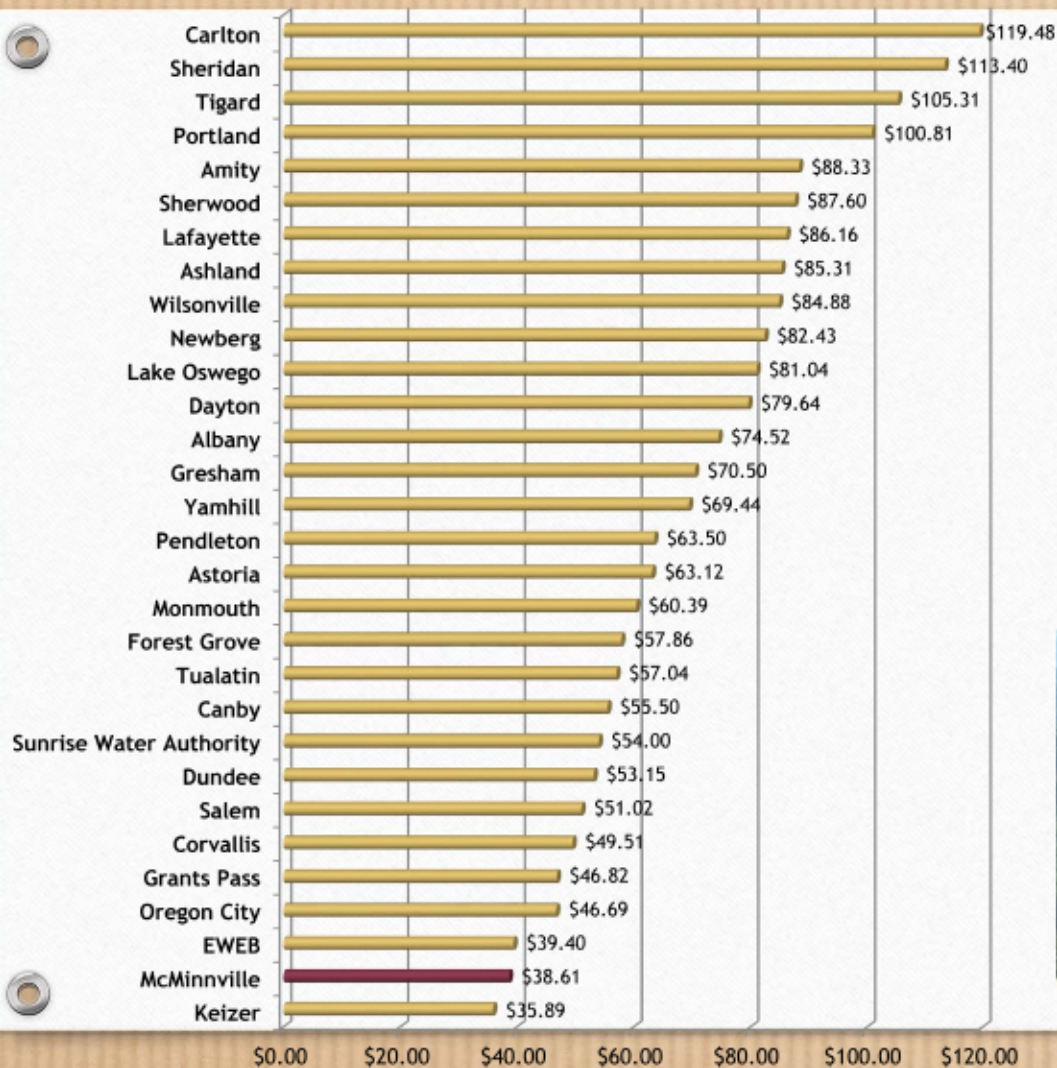
### Facilities Required:

- ❖ Pump Station, Pipe, and Reservoir
- ❖ Estimated Cost: \$8-\$10 Million

### Challenges:

- Funding of capital improvements
- Higher Operating Costs





Residential Water Bill Comparison  
 Monthly Bill Average  
 1,500 cubic feet/month  
*Amounts shown are based on current published rates  
 (updated March 2021)*





## Three Mile Lane Bridge

In conjunction with replacement of the Three Mile Lane Bridge, MW&L has entered into an Intergovernmental Agreement with ODOT for installation of a 12" water main, four 4" diameter steel conduits for power, and two 2" diameter steel conduits for fiber optic utilities.

**MW&L Project Cost- \$1,250,487**





Photo No.1: This is a photo illustrating the canopy over the two fueling station dispensers.

## Fuel Station- Marsh Lane

- Resiliency Project to protect critical infrastructure
- Sustained fuel supply is a priority
- Station will include: (2) above ground tanks (1 gas, 1 diesel)
- MW&L owns 2,500 gallon fuel tanker truck to transport fuel to generator sites (ie. Water Treatment Plant)



Photo No. 3: This is a photo of a 20,000 gallon fuel tank.



**Estimated Cost: \$1.6 Million**

**Estimated to Begin: July 2021**

**1-Year Construction Window**





# QUESTIONS?



503-472-6158



*Office is currently closed to the public, but staff is available by phone or email*



*M-Th 7:00 am-5:30 pm*