

WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

TUESDAY, DECEMBER 10, 2019
WIFA Advisory Board Meeting 1:30 P.M.

100 N. 7TH AVENUE
1ST FLOOR, SUITE 100 CONFERENCE ROOMS
PHOENIX, ARIZONA 85007

FINAL AGENDA

Call Meeting to Order

1. *Adopt Minutes for the Advisory Board Meeting of October 16, 2019.*
2. **Reports**
 - Executive Director's Report
 - Operating Budget Status Report
 - Commitment Balances Report

Call to the Public

3. **Call to the Public:** This is the time for the public to comment. Members of the Advisory Board may not discuss items that are not specifically identified on the agenda. Pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date.

Consent Agenda

None

New Agenda Items for Consideration and Action

4. **Review, Discuss & Possible Action:** Recommend Adoption of the CWRP Financial Assistance Project Priority List Funding Cycle 2020: *Sara Konrad will lead the discussion*

Add:

- City of Flagstaff (CW 005-2020)
- Town of Marana (CW 006-2020)

Fundable Range:

- Kachina Village Improvement District (CW 002-2020)
- City of Flagstaff (CW 005-2020)
- Town of Marana (CW 006-2020)

WIFA's Mission

To maintain and improve water quality in Arizona by providing financial assistance and technical assistance for basic water infrastructure.

WIFA's Vision

Guide WIFA's resources to communities with the greatest need.

5. **Review, Discuss & Possible Action:** Recommend Adoption of the DWRP Financial Assistance Project Priority List Funding Cycle 2020: *Sara Konrad will lead the discussion*

Add:

- DS Water Company (DW 008-2020)
- Sun Valley Farms Unit VI Water Company, Inc. (DW 011-2020)
- City of Buckeye (DW 020-2020)
- City of El Mirage (DW-024-2020)
- City of El Mirage (DW-025-2020)

Changes:

- Jakes Corner Water Co (DW 014-2020) – rates increased
- San Simon Domestic Water Improvement District (DW 023-2020) – MHI increased, subsidy increased
- Arroyo Water Company (DW 015-2020) – number of connections and population decreased, project cost increased, MHI decreased

Fundable Range:

- Jakes Corner Water Co (DW 014-2020)
- Arroyo Water Company (DW 015-2020)
- City of Buckeye (DW 020-2020)

6. **Review, Discuss & Possible Action:** Recommend Approval of Loan Resolution 2020-010 and Due Diligence Summary CW 005-2020 – City of Flagstaff – CWRP – \$6,000,000 – *Angie Valenzuela will lead the discussion*
7. **Review, Discuss & Possible Action:** Recommend Approval of Loan Resolution 2020-011 and Due Diligence Summary DW 018-2020 – Michaels Ranch Water Company – DWRP – \$95,595 - *Angie Valenzuela will lead the discussion*
8. **Review, Discuss & Possible Action:** Recommend Approval of Loan Resolution 2020-012 and Due Diligence Summary DW 020-2020 – City of Buckeye – DWRP – \$108,582,332 – *Angie Valenzuela will lead the discussion*
9. **Adopt/Modify/Terminate Operating Policy:** Recommend Adoption of Updated Operations Management Policy # I.6 – WIFA Advisory Board and Committee Meetings – *Dan Dialessi will lead the discussion*
10. **Adopt/Modify/Terminate Operating Policy:** Recommend Adoption of Updated Operations Management Policy # I.8 – Legislature Representative Designation – *Dan Dialessi will lead the discussion*
11. **Adopt/Modify/Terminate Operating Policy:** Recommend Adoption of Updated Operations Management Policy # I.16 – Public Access to Public Records – *Dan Dialessi will lead the discussion*

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Update, Discussion or Presentation

12. *Review & Discuss:* 2019 Annual Report to EPA – *Dan Dialessi will lead the discussion*

Meeting Conclusion & Adjournment

13. New Business/Issues:

- Next Committee Meeting Date – Wednesday, February 5, 2020 at 1:30PM in Phoenix, Arizona
- Next Advisory Board Meeting Date – Wednesday, February 19, 2020 at 1:30PM in Phoenix, Arizona

Notes on Proceedings

WIFA is committed to complying with the Americans with Disabilities Act. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting WIFA at (602) 364-1310. Requests should be made as early as possible to allow time to arrange the accommodation.

The agenda for the meeting is subject to change up to 24 hours before the meeting. At its discretion, the Authority may consider and act upon any agenda item out of order. One or more Board members may participate via teleconference.

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WIFA's Vision

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Arizona's Clean Water Revolving Fund
 Project Priority List 2020 Funding Cycle
 December 2019

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	² Marana, Town of	10,057	Pima	Adonis Sewer System connection to Town of Marana Wastewater System (#2)	New loan to complete the Adonis sewer and lift station project. Sewage will be conveyed to and treated at the Marana WRF and recharged.	006 2020	\$475,000.00	85%
2	² Flagstaff, City of	75,000	Coconino	Flagstaff Watershed Protection Project	Flagstaff Watershed Protection Project is a partnership effort between the State, City and Coconino National Forest to help reduce the risk of devastating wildfire and post-fire flooding in the Rio de Flag and Lake Mary watersheds. The funding will leverage the project with state and federal funding as available and expand other treatments in the City of Flagstaff watershed.	005 2020	\$6,000,000.00	85%
3	³ Safford, City of	9,566	Graham	Reclaimed Water Pipeline Project - Graham County Fairgrounds	The project proposes to capture 130.5 million gallons of Class A+ reclaimed water that is currently not being utilized. The reclaimed water will replace potable water used at city properties and recreational facilities for outdoor water use.	003 2020	\$3,500,000.00 / \$3,500,000.00	85%
4	^{1,4} White Mountain Apache Housing Authority	995	Navajo	Apache Pine Phase 1	The Authority currently has a waitlist of approximately 1500 families that need housing. WMAHA is seeking loan assistance to fund the wastewater collection system for the proposed units and to connect to the existing regional wastewater treatment system.	001 2020	\$806,862.00	80%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
5	Kachina Village Improvement District	2,800	Coconino	Second Clarifier Installation	KVID's WWTP has only a single, aging secondary clarifier. It is not possible to take it offline to refurbish or replace it. KVID would construct a new clarifier to run in parallel with the existing clarifier. It would be located in the area currently used for sludge storage and processing. KVID would also construct a new aerobic sludge digester for sludge storage.	002 2020	\$807,000.00	85%

Total:

\$11,588,862.00

Legend:

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- ¹ Eligible for disadvantaged community designation
 - ² New project on PPL
 - ³ Eligible for Green Project Reserve
 - ⁴ Board approved; subsidy locked in at time of board resolution

Arizona's Clean Water Revolving Fund

2020 Funding Cycle - Fundable Range

December 2019

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	1	Marana, Town of	10,057	Pima	Adonis Sewer System connection to Town of Marana Wastewater System (#2)	006 2020	\$475,000.00	85%
2	2	Flagstaff, City of	75,000	Coconino	Flagstaff Watershed Protection Project	005 2020	\$6,000,000.00	85%
3	4	White Mountain Apache Housing Authority	995	Navajo	Apache Pine Phase 1	001 2020	\$806,862.00	80%
4	5	Kachina Village Improvement District	2,800	Coconino	Second Clarifier Installation	002 2020	\$807,000.00	85%

Total:

\$8,088,862.00

Arizona's Drinking Water Revolving Fund

Project Priority List 2020 Funding Cycle

December 2019

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	¹ San Simon Domestic Water Improvement District	300	Cochise	San Simon Project Drinking Water	The system is under an ADEQ consent decree for fluoride. The infrastructure for the water system is antiquated. Currently the pressure tank has leaks, compromising the tank. The system only has one well, which was lowered 40 feet this year. The system also needs a new pressure tank. The project will include exploration of a second well as a back up solution to the fluoride problem.	023 2020	\$250,000.00	75%
2	¹ Arroyo Water Company	150	Gila	Storage & Pumping Improvements	The system has several infrastructure installments that are at or have exceeded useful life and need to be replaced. Additionally, the owner proposes to update the storage tank (identified in a recent sanitary survey by ADEQ).	015 2020	\$227,038.00	70%
3	^{1,2} DS Water Company	244	Mohave	DS Water Storage Tank Installation and Arsenic Treatment Plant	This project will provide a storage tank and pumping facilities on the south side of the Virgin River so when infrastructure is washed away by flooding, customers will still have water. This project will also install an arsenic treatment facility to fulfill requirements of an ADEQ Consent Order.	008 2020	\$635,000.00	80%
4	² Sun Valley Farms Unit VI Water Company Inc.	400	Pinal	Nitrate compliance treatment plan	System rehab and increased storage to mitigate nitrate MCL exceedances.	011 2020	\$850,000.00	85%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
5	¹ Jakes Corner Water Co	45	Gila	Storage & Pumping Improvements	System has several infrastructure installments that are at or beyond useful life and need to be replaced. This loan will address storage and pumping improvements.	014 2020	\$89,640.00	80%
6	^{1,3} Kohl's Ranch Water Company	114	Gila	Meter Replacements and Installation	The existing meters are old and inaccurate. The company plans to replace the meters with "smart" meters and new ball valves and backflow device.	016 2020	\$137,500.00 / \$137,500.00	80%
7	¹ Tonto Village Water Company, Inc.	185	Gila	System Improvements	Project will replace old service lines and meters.	003 2020	\$618,377.00	75%
8	Lyn-Lee Water Company	90	Pima	Water Storage	The system is in need of water storage and electrical updates to comply with ADEQ.	010 2020	\$40,000.00	85%
9	¹ Mayer Domestic Water Improvement District	1,400	Yavapai	Mayer DWID Improvement Projects	The system is aging and facing serious infrastructure deficiencies. This loan will address the following: relocate and upgrade water mainlines; install 4-5 new storage tanks; upgrade the booster stations; replace 700 meters; and construct an arsenic blending station.	005 2020	\$5,000,000.00	75%
10	¹ Tonto Village Domestic Water Improvement District (TVDWID)	256	Gila	TVDWID Purchase of TVWC Water System	This loan is to secure funds to purchase the Tonto Village Water Company.	004 2020	\$410,200.00	75%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
11	¹ Rim Trail DWID	250	Gila	Addition of third well and replacement of all water meters to AMR technology	Water meters were installed 70 years ago. Additionally, the SWTP suffers from turbidity problems. As their main water supply, the DWID is struggling to meet demand. This project would resolve these issues by purchasing and outfitting a third well and replacing the meters.	006 2020	\$140,000.00	80%
12	^{1,4} White Mountain Apache Housing Authority	2,125	Navajo	Apache Pine Phase 1	The White Mountain Apache Tribe has an acute housing shortage for its tribal members and has a waitlist of approximately 1500 families. Funds will be used to connect the water system's existing nearby distribution mains to 28 new housing units for low-income families.	001 2020	\$616,030.00	80%
13	² El Mirage, City of	37,200	Maricopa	Well Site Improvement	The City of El Mirage has a well site that is in need of repairs to improve operational performance and storage capacity. They plan to redesign the existing booster pump station and to relocate the tank outlet pipe to increase available storage capacity.	024 2020	\$1,280,000.00	85%
14	² El Mirage, City of	37,200	Maricopa	Water Storage Tank Rehabilitation	The City of El Mirage has 10 water storage facilities in need of rehabilitation to maintain storage capacity, to preserve drinking water quality and reliability, and to reduce the need for annual emergency repairs.	025 2020	\$2,100,000.00	85%
15	Appaloosa Water	500	Yavapai	Operational Equipment Upgrades	This project is to replace the existing well meters, purchase a stronger well pump, and clean and coat the storage tank.	007 2020	\$350,000.00	85%
16	Michael's Ranch Water User's Association	52	Yavapai	Tank Rehab, Meter Replacements, Flush Valve Installment	The 75,000 gallon storage tank has interior corrosion and needs to be refurbished. Additionally, 23 customer meters will be replaced to better calculate water use and one flush valve will be added to aid in semi-annual flushing.	018 2020	\$76,724.00	85%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
17	² Buckeye, City of	23,084	Maricopa	Broadway Road Water Campus	The City of Buckeye has identified and purchased a site location to construct the Broadway Road Water Campus. The water campus will include storage tanks, treatment facilities, booster pumps, new wells, and well transmission and distribution lines. The project will provide high quality water, address current production needs, and allow for controlled expansions and upgrades.	020 2020	\$108,582,332.00	85%
18	³ Kearny, Town of	2,076	Pinal	Water Infrastructure Rehabilitation	The loan would refinance a USDA loan in the amount of \$600,000 at 5.125% to a lower interest rate, and include an additional \$85,000 for distribution system rehab.	019 2020	\$685,000.00 / \$85,000.00	85%
19	Queen Creek, Town of	83,000	Maricopa	Queen Creek Groundwater Extinguishment Credit Acquisition	Based upon current system demand and available water resources, Queen Creek has a current water resource deficit of approximately 5,300 AF. Queen Creek is requesting funding for the purchase of extinguishment credits which would enhance and diversify the town's water supply to help meet current and future demand.	012 2020	\$50,000,000.00	90%

Total:

\$172,087,841.00

Legend:

¹ Eligible for disadvantaged community designation

² New project on PPL

³ Eligible for Green Project Reserve

⁴ Board approved; subsidy locked in at time of board resolution

Arizona's Drinking Water Revolving Fund

2020 Funding Cycle - Fundable Range

December 2019

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	2	Arroyo Water Company	150	Gila	Storage & Pumping Improvements	015 2020	\$227,038.00	70%
2	5	Jakes Corner Water Co	45	Gila	Storage & Pumping Improvements	014 2020	\$89,640.00	80%
3	7	Tonto Village Water Company, Inc.	185	Gila	System Improvements	003 2020	\$618,377.00	75%
4	9	Mayer Domestic Water Improvement District	1,400	Yavapai	Mayer DWID Improvement Projects	005 2020	\$5,000,000.00	75%
5	10	Tonto Village Domestic Water Improvement District (TVDWID)	256	Gila	TVDWID Purchase of TVWC Water System	004 2020	\$410,200.00	75%
6	12	White Mountain Apache Housing Authority	2,125	Navajo	Apache Pine Phase 1	001 2020	\$616,030.00	80%
7	16	Michael's Ranch Water User's Association	52	Yavapai	Tank Rehab, Meter Replacements, Flush Valve Installment	018 2020	\$76,724.00	85%
8	17	Buckeye, City of	23,084	Maricopa	Broadway Road Water Campus	020 2020	\$108,582,332.00	85%
9	18	Kearny, Town of	2,076	Pinal	Water Infrastructure Rehabilitation	019 2020	\$685,000.00	85%

Total:

\$116,305,341.00