

Water Infrastructure Finance Authority

FY 2011 Drinking Water Intended Use Plan



Arizona Drinking Water State Revolving Fund

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I. INTRODUCTION

A. History and Legislation

In August 1996 the Safe Drinking Water Act Amendments were passed by Congress. This Act authorized the states to establish drinking water revolving funds for community drinking water infrastructure needs for the first time.

Passage of H.B. 2304 by the Arizona Legislature on April 22, 1997 transformed the Wastewater Management Authority of Arizona into the Water Infrastructure Finance Authority of Arizona (WIFA). WIFA was charged with administering the Clean Water State Revolving Fund (CWSRF) for wastewater projects and the new Drinking Water State Revolving fund (DWSRF) for drinking water infrastructure needs. The Board of Directors was expanded from seven to 12 members.

Title 18, Chapter 15 of the Arizona Administrative Code establishes detailed rules for the Water Infrastructure Finance Authority.

The 2011 Intended Use Plan describes how WIFA intends to use available DWSRF funds for the year to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health.

B. Financial Status of the Arizona DWSRF

Since program inception, this will be the 14th DWSRF Capitalization Grant from EPA for a total of \$260,026,950.

The WIFA Board of Directors is pleased to release Arizona's Drinking Water State Revolving Fund (DWSRF) Intended Use Plan (IUP) for the 2011 funding cycle. The DWSRF IUP describes WIFA's plan to utilize various sources of funds to finance drinking water infrastructure and support related program activities during the 2011 funding cycle from July 1, 2010 through June 30, 2011.

C. Arizona's Request

This Intended Use Plan (IUP) is a required element of the grant application documentation to obtain the Federal Fiscal Year (FFY) 2010 grant award. Arizona herewith submits its IUP for the FFY 2010 funds available to Arizona for the purposes of continuing the development, implementation and administration of the DWSRF program in Arizona. The total available to Arizona from EPA's FFY 2010 allotment is \$27,259,000. Arizona intends to set aside \$7,090,360 of this allotment to administer the DWSRF program and other SDWA authorized programs. This allotment will be matched by the 20% state match requirement of \$5,451,800 from WIFA bond proceeds.

II. TYPES OF PROJECTS TO BE FUNDED FROM THE VARIOUS DWSRF ACCOUNTS

A. The types of projects for which loan funds from the account for the revolving fund are intended include:

1. The construction/upgrading of water treatment facilities;
2. Water efficiency, energy efficiency, green infrastructure or other environmentally innovative activities;
3. Supplemental water source interconnect;
4. Arsenic treatment to meet public health standards and to protect public health;
5. Consolidation and interconnection of public water systems;
6. Planning and engineering associated with eligible projects;
7. Replacement/rehabilitation of transmission lines and storage facilities;
8. New water wells;
9. Water system expansion;
10. Other projects necessary to address compliance/enforcement or security issues.

B. Activities intended to be funded from the account for set-aside programs include:

1. Administration of the DWSRF program from the 4% set-aside;
2. ADEQ is banking \$600,000 of the 10% set-aside to offset potential future year funding needs.
3. ADEQ will use \$2,100,000 of the 10% set-aside for the PWSS Program.
4. ADEQ will use \$2,700,000 of the 10% set-aside for the Wellhead Protection Program.
5. ADEQ will use \$300,000 of the 2% set-aside for Operational Technical Assistance.

III. DWSRF LOAN PROGRAM DESCRIPTION AND GOALS

A. DWSRF Loan Program General Information

The Arizona DWSRF Loan Program funds publicly and privately-owned community water systems and non-profit non-community water systems. Eligible projects include installation and replacement of failing treatment facilities, eligible storage facilities and transmission and distribution systems, water efficiency, energy

efficiency, water conservation, green infrastructure or other environmentally innovative activities. Projects to consolidate water systems may also be eligible. Loans made under the program currently have interest rates of less than 4 percent (except in the case of a privately owned facility). Loan repayments to the State will provide a continuing source of infrastructure financing into the future. The program also places an emphasis on small and disadvantaged communities and on programs that emphasize prevention and sustainability as tools for ensuring safe drinking water.

Financial Terms of Loans

1. Subject to the limitation in paragraph 2 of this section, all loans for the financing of projects, will be for a term not to exceed 20 years from loan closing date, except that under certain conditions, loans to disadvantaged communities for financing projects may be made for a period of up to 30 years from loan closing date;
2. Loan terms are not to exceed the useful life of the project;
3. Terms of financial assistance to public water systems serving disadvantaged communities are addressed in Section VI;
4. Repayment of loan principal must begin within 12 months of project completion based on the construction schedule available at the loan closing date or actual completion date or three years from the date of the initial principal advance, whichever is earlier;
5. Loans are to be made on a cost reimbursement basis;
6. Leveraging: The decision to leverage will be based on demand on the loan fund for projects to address health concerns, market conditions and long term impact to the fund;
7. Thirty percent (\$8,177,700) of the 2010 grant funds will be given out as forgivable principal and 20% (\$5,451,800) will be used to finance water efficiency, energy efficiency, green infrastructure or other environmentally innovative activities;
8. All contracts for financial assistance will require the borrower to comply with the Davis-Bacon Act;
9. The Controller will allocate income from the Standard Combined Interest and Fee rate (CIFR) as either fee income or interest income in accordance with the table located on page 4.

Combined Interest and Fee Rate (CIFR)

Financial Structure	CIFR	Portion of CIFR Allocated as Fees	Portion of CIFR Allocated as Interest
Governmental Loan	*Set in accordance with the formula below	1.5%	Remainder of CIFR
Non-Governmental Loan		3.0%	Remainder of CIFR
Linked Deposit Guarantees		Determined on a case by case basis	Determined on a case by case basis

*Government Loan – Tax Exempt AAA Bond Rate (times) Subsidy Rate

*Non-Government Loans – Prevailing Prime Rate (times) Subsidy Rate

DW Fee Income and Uses

Fee Income	Interest Income	ADEQ	Contractors
\$4,362,910	\$102,794	\$1,819,024	\$80,000

B. Long-Term Goals

For purposes of this IUP, a long term goal is defined as the life of the program. The following are the long-term goals of the loan program:

1. Award WIFA’s resources in accordance with the needs of Arizona’s citizens;
2. Maintain the fiscal integrity of WIFA’s funds and assure continuous enhancement for future generations;
3. Facilitate access to and efficiently deliver financial and technical assistance to Arizona’s drinking water facilities;
4. Coordinate with other funding agencies through the Rural Water Infrastructure Committee (RWIC).

C. Short-Term Goals

For the purposes of this IUP, a short-term goal is an activity intended to be initiated and, in some cases, completed within a year.

1. Make drinking water infrastructure loans more accessible and affordable to small communities by making \$43,024,184 in funding available for below market rate interest loans;
2. Make drinking water infrastructure more accessible and affordable by allocating 30% (\$8,177,700) of the 2010 EPA drinking water grant as forgivable principal.

IV. DWSRF SOURCES & USES

The SDWA §1452(g) and §1452(k) allow States to set aside up to 31% of the capitalization grant for the activities described in Section II. B.

The DWSRF account for set-aside programs includes four specific set-aside categories identified as the 2%, 4%, 10%, and 15% set-asides. If all of the set-aside funds within a set-aside activity are not expended, those remaining funds may be redirected to another set-aside activity as long as the maximum allowed for that activity has not been reached for the fiscal year from which the funds were derived.

The sources and uses for the 2011 funding cycle shown in Table 1 are based on the FY 2010 federal allocation and WIFA's funding plan as of July 1, 2011. The total 2010 DWSRF federal budget allocation available to states is \$1,357,260,000 of which, Arizona received 2.01% or \$27,259,000

Table 1: Arizona DWSRF Sources & Uses for 2011 Funding Cycle					
	Federal Contributions	State Contributions*	WIFA Revenue	WIFA Loan Accounts	Total
Funding Sources	\$ 27,259,000	\$ 8,151,800	\$ 1,819,024	\$ 17,061,244	\$ 54,291,068
Funding Uses					
Financial Assistance Loans: Federal Contribution Includes: \$8,177,700 Forgivable Principal \$5,451,800 Green Infrastructure \$600,000 banked 10% Set-aside	\$ 20,511,140	\$ 5,451,800		\$ 17,061,244	\$ 43,024,184
10% Set-aside PWSS	\$ 2,100,000	\$ 2,700,000		\$ -	\$ 4,800,000
ADEQ Drinking Water Program			\$ 1,819,024	\$ -	\$ 1,819,024
15% Set-aside Wellhead Protection	\$ 2,700,000				\$ 2,700,000
2% Set-aside Capacity Development	\$ 300,000				\$ 300,000
15% Set-aside Technical Assistance	\$ 557,500				\$ 557,500
4% Administration	\$ 1,090,360				\$ 1,090,360
Total Funding Uses	\$ 27,259,000	\$ 8,151,800	\$ 1,819,024	\$ 17,061,244	\$ 54,291,068
<p>* The DWSRF State match can be WIFA bonds proceeds, WIFA fees or state general fund monies.</p> <p>* The 10% Set-aside match comes from ADEQ Fees & PWSS FY-93</p> <p>** During the funding cycle, WIFA may sell water quality revenue bonds of which the proceeds will used increase WIFA's lending capacity</p>					

A. Financial Assistance for Loans: \$43,024,6184

Eligible projects include installation and replacement of failing treatment facilities, eligible storage facilities, transmission and distribution systems, water efficiency, energy efficiency, green infrastructure or other environmentally innovative activities. Projects to consolidate water systems may also be eligible. From the 2010 EPA Drinking Water Grant a minimum of 30% (\$8,177,700) will be given out in forgivable principal for up to 90% of the loan amount based on financial need. A minimum of 20% (\$5,451,800) will be used to finance water efficiency, energy efficiency, green infrastructure or other environmentally innovative activities. ADEQ will bank \$600,000 from the 10% set-aside in the loan fund to offset potential future year funding needs.

B. ADEQ Public Water System Supervision: (10% set-aside 2,100,000)

State and Federal Statutes allow setting aside up to 10% of the Federal funds for the Public Water System Supervision (PWSS) activities. The PWSS program will receive \$2,100,000 from the 10% set-aside. ADEQ will use this funding for the PWSS Program, which encompasses all of the various activities involved in implementing the Safe Drinking Water Act requirements in Arizona. These activities include operator certification, source water assessment and protection, development of regulatory guidance and assistance documents, assisting systems in obtaining the technical, financial, and managerial capability to comply with drinking water regulations, and technical consultations on water system and treatment system design. For more information please contact John Calkins at 602-771-4617.

C. ADEQ Drinking Water Program (WIFA Fee Revenues \$1,819,024)

The Drinking Water program is federally mandated to ensure safe drinking water supplies for the public. Staff reviews water system construction plans, conducts compliance inspections on drinking water systems, reviews water quality monitoring data, initiates enforcement actions in response to continued or significant noncompliance, and conducts outreach to educate stakeholders on regulatory requirements. The program also evaluates source waters to ascertain their susceptibility to contamination, promotes voluntary community programs aimed at protecting aquifers for drinking water use, and administers the monitoring assistance program to assist public water systems in complying with monitoring requirements under the federal safe drinking water act. For more information please contact John Calkins at 602-771-4617.

D. ADEQ Wellhead Protection: (15% set-aside \$2,700,000) This program will be used by ADEQ for Wellhead Protection activities to protect underground sources of drinking water. For more information contact Drinking Water Section: John Calkins, Section Manager (602) 771-4617

E. ADEQ Capacity Development Small System Operational Technical Assistance: (2% set-aside \$300,000) The Arizona Department of Environmental Quality, Capacity Development Unit will assist small individual drinking water systems, serving 10,000 or fewer people, improve their day to day operation. For more information contact Drinking Water Section: John Calkins, Section Manager (602) 771-4617

F. WIFA Technical Assistance (2% and 15% set-asides \$857,500)

State and Federal statutes allow setting aside 2% and 15% of the Federal funds to provide local assistance to water systems in Arizona.

Technical Assistance: (15% set-aside \$557,500) will be used for Technical Assistance to provide assistance to water systems in two (2) categories:

- **Project Technical Assistance – (15% \$300,000)** WIFA will assist an individual drinking water system to conceive, plan, design, and develop infrastructure; including water and energy efficiency, water conservation, green infrastructure or other environmentally innovative activities.
- **Policy Technical Assistance – (15% \$257,500)** Policy TA includes studies, surveys and other types of reports that provide benefit to a range of drinking water systems statewide.
- **Operational Technical Assistance – (2% \$300,000)** The Arizona Department of Environmental Quality (ADEQ) manages this program to provide assistance to individual drinking water systems to improve operations.

Technical Assistance Intended Use Plan – Two Fundable Ranges

There are two annual fundable ranges for project and policy technical assistance awards, referred to as Phase I and Phase II of the funding cycle. The Board shall approve a Technical Assistance Intended Use Plan (TA IUP) for the Phase I awards at the June board meeting, at which time the Board may reserve a portion of the annual Technical Assistance funding for the Phase II awards. The Board shall approve a revised TA IUP for the Phase II awards at the December board meeting. The TA IUP shall include:

- Description of the types of technical assistance the Board expects to fund;
- Summary of the sources and uses of funds by type of technical assistance;
- Drinking Water Project Technical Assistance Priority List for Phase I and Phase II awards;
- Wastewater Project Technical Assistance Priority List for Phase I and Phase II awards.

Technical Assistance Funding – Annual Cycle

Phase	Applications Due	TA IUP Approved	Grants Awarded
Phase I	April	June Board Meeting	July 1
Phase II	October	December Board Meeting	January 1

G. Program Administration (4% set-aside \$1,090,360)

This set-aside will be used to pay salaries and associated expenses of program’s personnel devoting time to the administration of the funds as well as the necessary ancillary services performed by other agencies. These funds will also be used to procure equipment and training necessary for the adequate performance of staff. Expenses for DWSRF-related public meetings, workshops and conferences will also be paid for out of this set-aside. Funds not used immediately will be reserved for use in future years.

V. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

A. Priority List (PL) Exhibit A – On an annual basis, following a statewide solicitation for projects, WIFA develops a statewide priority list of water projects. For funding cycle 2011 WIFA received 27 project priority list applications totaling \$83,634,061.

Fundable Range for Design, Exhibit B – Includes the highest ranking applicants ready to receive design assistance during the funding cycle.

Fundable Range for Construction, Exhibit C – Includes the highest ranking applicants ready to receive construction or green infrastructure financial assistance.

B. Priority List Updates – The WIFA Board of Directors may update the DWRF-PL by adding or deleting projects or adjusting the fundable ranges for design or construction projects. The decision to update the DWRF-PL may be based on a project's readiness to proceed, refined project cost estimates, availability of other funding sources or other new information affecting the expansion or contraction of the PL and fundable ranges. The WIFA Board of Directors will adopt the updated DWRF PL at a public meeting and the updates will be posted on the WIFA web site as per R18-15-305, R18-15-306, R18-15-307 and R18-15-308. All projects must meet the applicable requirements under the Safe Drinking Water Act, 42 U.S.C. § 300f to 300j-26.

C. Project Readiness to Proceed: WIFA considers a project “ready to proceed” when the following criteria are met:

1. Approved debt authorization has been received by WIFA
2. Plans and specifications are received by WIFA
3. All local and state permits are issued
4. Construction bid/bids awarded

D. WIFA Loan & Subsidy Rates – The WIFA Board of Directors has established a target interest rate ranging between 70% and 95% of tax-exempt AAA Bond Rate for government entities and 70% to 95% of the prevailing prime rate plus 200 basis points for non-government entities. The subsidy rate is based on the local fiscal capacity which is measured by the area's median household income, user rates and charges, the community's outstanding and proposed debt and cost effectiveness of project. Interest rates/subsidies on individual loans will be set pursuant to the criteria below:

- ✓ Priority of the project;
- ✓ Local fiscal capacity of the area served by the system requesting assistance; and,
- ✓ Lending capacity of Arizona's DWRF.

E. Emergency Funding

WIFA can provide up to \$250,000 for emergency funding under the criteria set forth in Policy 1.019 below:

Eligible Applicants

Publicly Owned Community Water Systems

Required Conditions

- The term of the loan does not exceed one year.
- The dollar amount of the loan does not exceed two hundred fifty thousand dollars (\$250,000) per borrower, per emergency event.
- The purpose of the loan is to provide assistance for designing, redesigning, engineering, reengineering, constructing or reconstructing water or wastewater systems that have failed as the result of a disaster, a natural disaster or a catastrophic event.
- The disaster, natural disaster or catastrophic event is memorialized in a declaration of emergency by the governor or the federal emergency management agency.

F. Binding Commitments – If the WIFA Board of Directors approves an applicant’s financial assistance request, WIFA staff will prepare and circulate financial assistance (loan) documents to evidence the binding commitment in accordance with applicable federal and state requirements.

G. Green Infrastructure, Water or Energy Efficiency – The Federal 2010 appropriations requires that to the extent there are sufficient eligible project applications, not less than 20% of the funds provided for projects must be used for water or energy efficiency, green infrastructure, or other environmentally innovative activities.

VI. ASSISTANCE TO PUBLIC WATER SYSTEMS SERVING DISADVANTAGED COMMUNITIES

Disadvantaged Community WIFA Policy 1.012:

The WIFA Board may designate an entity a “Disadvantaged Community” if the entity fails to meet the 1.2 debt service coverage, and

- The applicant’s project is above the 50 percentile on the DWRP or the CWRP Project Priority List, and
- WIFA awarded the applicant 50 or more Local Fiscal Capacity points on the DWRP or the CWRP Project Priority List, or
- The Community is a designated “Colonia” Community through the federal government.
- WIFA may reduce the combined interest and fee rate (CIFR) and/or extend the loan term up to 30 years for a “Disadvantaged Community.”
- Additional subsidy (up to \$8,177,700) will first be offered to a community or communities that meet the definition of a “Disadvantaged Community.”

VII. U.S. ENVIRONMENTAL PROTECTION AGENCY STRATEGIC PLAN GOALS AND OBJECTIVES

The Arizona DWSRF program supports the National USEPA Strategic Plan Goal 2 (Clean and Safe Water), Objective 1 (Protect Human Health), Sub-objective 1 (Water Safe to Drink) listed below. Specifically, Arizona established and is managing the revolving loan fund to make low cost loans and other types of assistance to water systems to finance the cost of infrastructure projects to achieve or maintain compliance with Safe Drinking Water Act requirements. Arizona DWSRF activities support USEPA Program Reporting Measure SDW-4 Fund Utilization and SDW-5 DWSRF projects that have initiated operations.

All planned and prior year loans have assisted public water systems in meeting the federal and state drinking water compliance requirements. Details of Arizona's DWSRF activities supporting the National USEPA Strategic Plan will be included in the DWSRF Annual Report as well as in the Drinking Water National Information Management System (DW NIMS) and the Drinking Water Project Benefit Reporting (PBR).

VIII. PUBLIC REVIEW AND COMMENT

Public review and written comment period will be conducted from May 21, 2010 through June 9, 2010.

WIFA will solicit public review and comment on the draft FY 2011 DWSRF IUP and PL according to the following schedule:

May 21, 2010	Distribution and Web posting of the draft DWRP IUP and PL to all interested parties.
June 02, 2010	Public Hearing – 1110 West Washington, Room 130, Phoenix, Arizona 85007 from 1:00 P.M. to 2:00 P.M.
June 09, 2010	Deadline for public comments on the draft DWSRF IUP and PL is 5:00 P.M.
June 16, 2010	The WIFA Board of Directors adopts the draft DWSRF IUP and PL.
July 01, 2010	Final DWSRF IUP and PL become effective. Distribution and Web posting of final DWSRF IUP and PL.

Attachment A:

2011 Priority List

Arizona's Drinking Water Revolving Fund

**Arizona's Drinking Water Revolving Fund
2011 Funding Cycle - Priority List for Drinking Water Revolving Fund
Prepared Date: 5/21/2010**

Rank	Applicant	Population	Project Title	Project #	Amount Requested	Subsidy Rate Index
1	Maricopa Mountain Domestic Water Improvement District	618	Well #1 Treatment Facility	002 2011	\$550,000.00	70%
2	Gila Bend, Town of	1,980	Sustainable Drinking Water Improvement Project	027 2011	\$1,129,050.78	70%
3	Valle Verde Water Company	2,993	Valle Verde Water System Consolidation & Upgrades	019 2011	\$1,063,478.00	70%
4	Sulger Water Company #2	50	Sulger Water Co.#2	003 2011	\$115,000.00	70%
5	Lake Verde Water Co	204	Systems Upgrades (arsenic mitigation)	026 2011	\$450,000.00	75%
6	Big Park Water Company	6,450	Arsenic Removal Equipment for Well #1 & #5	018 2011	\$415,000.00	80%
7	Surprise, City of	40,420	Asante/Desert Oasis Water Supply Facility Arsenic Treatment System	004 2011	\$3,000,000.00	75%
8	Indiada Water Company	150	Indiada Water Company System Consolidation & upgrades	007 2011	\$360,707.00	80%
9	Antelope Run Water Company	585	Antelope Run Consolidation & Upgrades	001 2011	\$612,887.33	75%
10	Show Low, City of	10,000	Penrod Water Main Distribution Line	028 2011	\$1,925,000.00	70%
11	Bradshaw Mountainview Water Co	800	Photovoltaic Generator	022 2011	\$175,000.00	75%
12	Sandario Water Company	1,000	Sandario Water System Upgrades and Capital Improvements	009 2011	\$780,000.00	75%
13	Sonoita Valley Water Company	327	Sonoita Valley Water Co. System Expansion & Consolidation	017 2011	\$629,000.00	80%
14	Clear Springs Utility Company	1,180	Clear Springs Utility Consolidation & Upgrades	006 2011	\$501,000.00	75%
15	Marana, Town of	12,000	Tangerine Replacement Interchange Water Project	021 2011	\$15,000,000.00	80%
16	Kingman, City of	44,000	East Bench Water System / Water Main replacements	010 2011	\$2,500,000.00	80%
17	Marana, Town of	12,000	Purchase of Tucson Water within Town of Marana	020 2011	\$40,000,000.00	85%
18	Sunrise Water Co.	4,200	Drill And Equipment Well	016 2011	\$800,000.00	75%
19	Oak Creek Water Co., No. 1, Dick Sitts	1,800	Oak Creek Water Infrastructure & Solar Power Project	023 2011	\$911,706.00	80%
20	Clarkdale, Town of	4,026	Twin 5s Water Main Replacement	011 2011	\$3,487,582.00	75%
21	Clarkdale, Town of	4,026	Water System Security Improvements	014 2011	\$68,000.00	75%
22	Litchfield Park Serice Company	39,000	Airline Reservoir Solar Project / LPSC)	025 2011	\$1,145,000.00	85%
23	Litchfield Park Serice Company	39,000	LPSCO Recharge Wells	024 2011	\$1,755,000.00	85%
24	Clarkdale, Town of	4,026	Broadway Water Main Installation- Phase 2	013 2011	\$320,500.00	80%
25	Clarkdale, Town of	4,026	Lower Town Water Line Replacement	012 2011	\$2,152,075.00	80%
26	East Slope Water Co.	2,877	East Slope Water - Consolidation & Upgrades	005 2011	\$2,059,733.00	85%
27	Southland Water Company	1,958	Southland Water Company system upgrades	008 2011	\$1,728,342.00	85%

Total:

\$83,634,061.11

Attachment B:

2011 Funding Cycle Fundable Range for Design

Arizona's Drinking Water Revolving Fund

Arizona's Drinking Water Revolving Fund
2011 Funding Cycle - Fundable Range for Design Financial Assistance
Prepared Date: 5/21/2010

Fundable Range Rank	MPL Rank	Applicant	Population	Project Title	Project #	Amount Requested	Subsidy Rate Index
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No borrowers requested design assistance for their projects as of the date of this report.

Attachment C:

2011 Funding Cycle Fundable Range for Construction

Arizona's Drinking Water Revolving Fund

Arizona's Drinking Water Revolving Fund
2011 Funding Cycle - Fundable Range for Construction Financial Assistance
Prepared Date: 5/21/2010

Fundable Range Rank	MPL Rank	Applicant	Population	Project Title	Project #	Amount Requested	Subsidy Rate Index
1	1	Maricopa Mountain Domestic Water Improvement District	618	Well #1 Treatment Facility	002 2011	\$550,000.00	70%
2	7	Surprise, City of	40,420	Asante/Desert Oasis Water Supply Facility Arsenic Treatment System	004 2011	\$3,000,000.00	75%
3	11	Bradshaw Mountainview Water Co	800	Photovoltaic Generator	022 2011	\$175,000.00	75%

Total:

\$3,725,000.00

Attachment D

20% Green Project Reserve

**Arizona's Drinking Water Revolving Fund
2011 Funding Cycle - Priority List for Drinking Water Revolving Fund
Prepared Date: 5/21/2010**

Rank	Applicant	Population	Project Title	Project #	Amount Requested	Subsidy Rate Index	Probable Green Project
**	Lake Havasu City	56,348	WWSE - Water Service Line Replacement / Water Main Replacement	040 2010	\$11,400,000.00	75%	Business Case \$8,550,000
1	Maricopa Mountain Domestic Water Improvement District	618	Well #1 Treatment Facility	002 2011	\$550,000.00	70%	
2	Gila Bend, Town of	1,980	Sustainable Drinking Water Improvement Project	027 2011	\$1,129,050.78	70%	Categorical \$112,905
3	Valle Verde Water Company	2,993	Valle Verde Water System Consolidation & Upgrades	019 2011	\$1,063,478.00	70%	
4	Sulger Water Company #2	50	Sulger Water Co.#2	003 2011	\$115,000.00	70%	
5	Lake Verde Water Co	204	Systems Upgrades (arsenic mitigation)	026 2011	\$450,000.00	75%	
6	Big Park Water Company	6,450	Arsenic Removal Equipment for Well #1 & #5	018 2011	\$415,000.00	80%	
7	Surprise, City of	40,420	Asante/Desert Oasis Water Supply Facility Arsenic Treatment System	004 2011	\$3,000,000.00	75%	
8	Indiada Water Company	150	Indiada Water Company System Consolidation & upgrades	007 2011	\$360,707.00	80%	
9	Antelope Run Water Company	585	Antelope Run Consolidation & Upgrades	001 2011	\$612,887.33	75%	
10	Show Low, City of	10,000	Penrod Water Main Distribution Line	028 2011	\$1,925,000.00	70%	
11	Bradshaw Mountainview Water Co	800	Photovoltaic Generator	022 2011	\$175,000.00	75%	Categorical \$175,000
12	Sandario Water Company	1,000	Sandario Water Sustum Upgrades amd Capital Improvements	009 2011	\$780,000.00	75%	
13	Sonoita Valley Water Company	327	Sonoita Valley Water Co. System Expansion & Consolidation	017 2011	\$629,000.00	80%	
14	Clear Springs Utility Company	1,180	Clear Springs Utility Consolidation & Upgrades	006 2011	\$501,000.00	75%	
15	Marana, Town of	12,000	Tangerine Replacement Intercharge Water Project	021 2011	\$15,000,000.00	80%	
16	Kingman, City of	44,000	East Bench Water System / Water Main replacements	010 2011	\$2,500,000.00	80%	
17	Marana, Town of	12,000	Purchase of Tucson Water within Town of Marana	020 2011	\$40,000,000.00	85%	
18	Sunrise Water Co.	4,200	Drill And Equipment Well	016 2011	\$800,000.00	75%	
19	Oak Creek Water Co., No. 1, Dick Sitts	1,800	Oak Creek Water Infrastructure & Solar Power Project	023 2011	\$911,706.00	80%	Categorical \$500,000
20	Clarkdale, Town of	4,026	Twin 5s Water Main Replacement	011 2011	\$3,487,582.00	75%	
21	Clarkdale, Town of	4,026	Water System Security Improvements	014 2011	\$68,000.00	75%	
22	Litchfield Park Serice Company	39,000	Airline Reservoir Solar Project / LPSC)	025 2011	\$1,145,000.00	85%	Categorical \$1,145,000
23	Litchfield Park Serice Company	39,000	LPSCO Recharge Wells	024 2011	\$1,755,000.00	85%	Business Case \$1,755,000
24	Clarkdale, Town of	4,026	Broadway Water Main Installation- Phase 2	013 2011	\$320,500.00	80%	
25	Clarkdale, Town of	4,026	Lower Town Water Line Replacement	012 2011	\$2,152,075.00	80%	
26	East Slope Water Co.	2,877	East Slope Water - Consolidation & Upgrades	005 2011	\$2,059,733.00	85%	
27	Southland Water Company	1,958	Southland Water Company system upgrades	008 2011	\$1,728,342.00	85%	

Total GPR \$12,237,905.00

Total: \$83,634,061.11

GPR Required: \$5,451,800

** Project carried over from FY2010 PPL-IUP