

# WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

WEDNESDAY, OCTOBER 18, 2017  
WIFA Advisory Board Meeting 1:30 P.M.

100 N. 15<sup>TH</sup> AVENUE  
1<sup>ST</sup> FLOOR, SUITE 103  
PHOENIX, ARIZONA 85007

If teleconferencing, call Yolanda Mendoza as soon as possible at (602) 364-1310

## FINAL AGENDA

### Call Meeting to Order

1. *Adopt Minutes for the Advisory Board Meeting of August 16, 2017.*
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 Approval of the CWRP Financial Assistance Project Priority List Funding Cycle 2018: *Sara Konrad will lead the discussion*

CW PPL

Add:

- White Mountain Apache Housing Authority (CW-004-2018)

*WIFA's Mission*

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

*WIFA's Vision*

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

Change:

- Town of Camp Verde (CW-002-2018) – project scope expanded and loan amount increased

5. **Review, Discuss & Possible Action:** Recommend Approval of the DWRF Financial Assistance Project Priority List Funding Cycle 2018: *Sara Konrad will lead the discussion*

DW PPL

Add:

- White Mountain Apache Housing Authority (DW-020-2018)
- Town of Florence (DW-021-2018)

Change:

- Pine Strawberry Water Improvement District (DW-019-2018) – rates decreased

6. **Review, Discuss & Possible Action:** Recommend Approval of the 2018 Planning and Design Technical Assistance Awards – *Sara Konrad will lead the discussion*
7. **Review, Discuss & Possible Action:** Recommend Approval of Loan Resolution Addendum A2018-007 – Navajo Tribal Utility Authority – Amend to expand the underlying security options for the loan – *Sara Konrad will lead the discussion*
8. **Adopt/Modify/Terminate Operating Policy:** Recommend Termination of the Operations Management Policy #I.11 – Financial and Technical Assistance Agreement Delegation – *Sara Konrad will lead the discussion*
9. **Review, Discuss & Possible Action:** Recommend Approval of submittal of proposed rulemaking to Governor’s Regulatory Review Council (GRRC) and Notice of Final Rulemaking – *Sara Konrad will lead the discussion*

#### Update, Discussion or Presentation

10. **Review & Discuss:** 2017 Annual Report to EPA – *Trish Incognito will lead the discussion*
11. **Review & Discuss:** 2017 WIFA Financial Audit – *Jane Thompson will lead the discussion*

#### Meeting Conclusion & Adjournment

12. New Business/Issues:

- Possible Project Finance Committee prior to December Advisory Board Meeting - *Trish Incognito will lead the discussion*
- Next Advisory Board Meeting Date – Wednesday, December 20, 2017 at 1:30PM in Phoenix, Arizona

WIFA’s Mission

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

WIFA’s Vision

*Guide WIFA’s resources to communities with the greatest need.*

**Arizona's Clean Water Revolving Fund**  
 Project Priority List 2018 Funding Cycle  
 October 2017

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	<sup>1</sup> Tri-city Regional Sanitary District	5,700	Gila	Tri-City Regional Sanitary District	Wastewater is currently being disposed into septic systems and cesspools that has caused the introduction of raw wastewater into the environment. Proposed project would benefit the area and residents by disposing and treating wastewater in a central facility.	001 2018	\$6,928,400.00	70%
2	<sup>1</sup> Quartzsite, Town of	2,475	La Paz	Quartzsite Collection System Expansion	The sewer expansion will provide service to almost 200 existing residential and commercial customers within the Northwest Quadrant area and along Emilia Avenue and will eliminate the use of the existing on-site septic tank treatment systems.	003 2018	\$3,400,000.00	80%
3	<sup>1,3</sup> Camp Verde, Town of	3,165	Yavapai	Sewer Expansion	The Town would like to refinance approximately \$2.8M in debt, as well as expand sewer collection lines to unserved residential and commercial areas and make wastewater treatment plant improvements, including constructing a building to house filter and UV equipment and reconstruct the WWTP lagoon.	002 2018	\$8,200,000.00 / \$600,000.00	75%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
4	<sup>1,2</sup> White Mountain Apache Housing Authority	1,800	Navajo	Pinetop Mountain Development	Housing is needed for Tribal members on a waiting list. The project is a new housing development which will require expanded wastewater systems. This project will be the first phase of a four-phase development approach: Phase 1 - 10 housing units at Pinetop, AZ.	004 2018	\$1,500,000.00	75%
<b>Total:</b>							<b>\$20,028,400.00</b>	

**Legend:**

<sup>1</sup> Eligible for disadvantaged community designation

<sup>2</sup> New project on PPL

<sup>3</sup> Eligible for Green Project Reserve

<sup>4</sup> Board approved; subsidy locked in at time of board resolution

**Arizona's Drinking Water Revolving Fund**  
 Project Priority List 2018 Funding Cycle  
 October 2017

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	<sup>1,4</sup> Navajo Tribal Utility Authority	1,747	Apache	Arizona Windsong Water System Infrastructure Improvements	Arizona Windsong's well exceeds the MCL for uranium and current system assets are deteriorated. The system has been acquired by NTUA. This project proposes to install an interconnect and replace distribution lines and meters.	007 2018	\$1,797,200.00	70%
2	<sup>4</sup> Tierra Buena Water Company Inc.	320	Maricopa	Arsenic Remediation Project 3	The Company's single source production well has exceeded the MCL for arsenic. This project proposes to install a centralized arsenic treatment system to achieve an acceptable level below the MCL.	008 2018	\$661,729.00	85%
3	<sup>1,3,4</sup> Golden Shores Water Company	3,100	Mohave	Meter and Valve Replacement & Backup Generator	Golden Shores Water Company will install radio read meters, a back up generator and replace faulty isolation valves to facilitate future repairs.	006 2018	\$514,699.50 / \$378,459.40	80%
4	<sup>1,3</sup> Pine Strawberry Water Improvement District	8,000	Gila	PSWID CIP Program FY18 thru FY22	The Pine-Strawberry WID currently is experiencing as much as 30% lost and unaccounted for water from the system. There are 22 tanks in the system that will need some level of repair/rehabilitation and much of the District's 67.5 miles of pipelines are in serious need of replacement.	019 2018	\$8,000,000.00 / \$8,000,000.00	80%
5	<sup>3,4</sup> Truxton Canyon Water Company	2,202	Mohave	Hualapai 1 Well Conversion	The Hualapai 1 well has two natural gas engines that are 52 years old that need replacement. The project will replace the two existing engines with a single electric motor, equip the well to adapt to the new electric motor and run electrical service to the well from the main electrical transmission line.	005 2018	\$347,557.00 / \$289,123.00	80%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
6	<sup>1</sup> Q Mountain Mobile Home Park	400	La Paz	Q Mountain Vista Water Pipeline Replacement and Upgrade	Q Mountain experiences high water loss. The distribution system will be replaced with new valves and meters. Additional storage capacity, booster pumps and rehabilitation of a well will also be components of this project.	003 2018	\$1,600,000.00	75%
7	<sup>1,4</sup> Cordes Lakes Water Co.	3,275	Yavapai	Cordes Lakes Water Supply and System Reliability Improvements	CLWC is experiencing difficulty meeting customer water demand. This loan will fund the construction of storage improvements, a new production well, and replacing a leaking hydropneumatic tank will ensure adequate water supply for the community.	014 2018	\$402,423.00	75%
8	<sup>1,2</sup> White Mountain Apache Housing Authority	1,800	Navajo	Pinetop Mountain Water System	There are over 1000 families on the waiting list that need housing. The proposed new housing development will require new/expanded drinking water service for tribal members. This project will be part of a four-phase development approach to meet the safe and sanitary needs of tribal members.	020 2018	\$1,000,000.00	75%
9	Lyn-Lee Water Company	90	Pima	Water Storage	The system is in need of water storage and electrical updates to comply with ADEQ standards.	002 2018	\$40,000.00	85%
10	<sup>1,4</sup> Cordes Lakes Water Co.	3,275	Yavapai	Design - Cordes Lakes Water Supply and System Reliability Improvements	CLWC is experiencing difficulty meeting customer water demand. Design, engineering, and permits for storage improvements, a new production well, and replacing a leaking hydropneumatic tank will ensure adequate water supply for the community.	018 2018	\$99,425.00	80%
11	<sup>1,4</sup> Walden Meadows Community Co-Op	800	Yavapai	Pump Replacement	Well #2 pump failed and is out of service and in need of replacement. Pump will be replaced.	013 2018	\$40,000.00	80%
12	<sup>1,3,4</sup> Pine Creek Canyon Domestic Water Improvement District	45	Gila	PRV and Isolation Valve Upgrade Project	The four pressure reducing valves are 22 years old and are failing to control the pressure in the water system resulting in 53% of the homes seeing water pressure above 90 psi. The solution is to replace all the failing PRVs and underground vaults as well as some isolation valves.	012 2018	\$250,000.00 / \$100,000.00	80%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
13	<sup>2,3</sup> Florence, Town of	19,500	Pinal	Florence High Priority Water Projects	Florence has aging water infrastructure contributing to water losses of 10% and increasing. They will replace many water lines in high priority areas in downtown Florence, around Florence High School, and other locations. Florence will also install water meters to automate use monitoring and billing.	021 2018	\$5,000,000.00 / \$5,000,000.00	85%
14	<sup>1,4</sup> Elfrida Water Improvement District	800	Cochise	Elfrida Water Critical Well Repair	One well is quickly depleting water and is no longer viable as a backup well in its current condition. The well needs to be deepened and the pump reset.	010 2018	\$85,000.00	80%
<b>Total:</b>							<b>\$19,838,033.50</b>	

**Legend:**

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**Arizona's Drinking Water Revolving Fund**  
 2018 Funding Cycle - Fundable Range  
 October 2017

<b>Fundable Range Rank</b>	<b>PPL Rank</b>	<b>Applicant</b>	<b>Population</b>	<b>County</b>	<b>Project Name</b>	<b>Project Number</b>	<b>Amount Requested</b>	<b>Subsidy</b>
1	1	Navajo Tribal Utility Authority	1,747	Apache	Arizona Winding Water System Infrastructure Improvements	007 2018	\$1,797,200.00	70%
2	2	Tierra Buena Water Company Inc.	320	Maricopa	Arsenic Remediation Project 3	008 2018	\$661,729.00	85%
3	3	Golden Shores Water Company	3,100	Mohave	Meter and Valve Replacement & Backup Generator	006 2018	\$514,699.50	80%
4	4	Pine Strawberry Water Improvement District	8,000	Gila	PSWID CIP Program FY18 thru FY22	019 2018	\$8,000,000.00	80%
5	5	Truxton Canyon Water Company	2,202	Mohave	Hualapai 1 Well Conversion	005 2018	\$347,557.00	80%
6	7	Cordes Lakes Water Co.	3,275	Yavapai	Cordes Lakes Water Supply and System Reliability Improvements	014 2018	\$402,423.00	75%
7	10	Cordes Lakes Water Co.	3,275	Yavapai	Design - Cordes Lakes Water Supply and System Reliability Improvements	018 2018	\$99,425.00	80%
8	11	Walden Meadows Community Co-Op	800	Yavapai	Pump Replacement	013 2018	\$40,000.00	80%
9	12	Pine Creek Canyon Domestic Water Improvement District	45	Gila	PRV and Isolation Valve Upgrade Project	012 2018	\$250,000.00	80%
10	14	Elfrida Water Improvement District	800	Cochise	Elfrida Water Critical Well Repair	010 2018	\$85,000.00	80%

**Total: \$12,198,033.50**