

WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

WEDNESDAY, DECEMBER 20, 2017
WIFA Advisory Board Meeting 1:30 P.M.

100 N. 15TH AVENUE
1ST 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 October 18, 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

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.

New Agenda Items for Consideration and Action

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

CW PPL

Add:

- City of Coolidge (CW-006-2018)
- Camp Verde Sanitary District (CW-005-2018) to accommodate original borrower for refinance

Change:

- Town of Camp Verde (CW-002-2018) – amount reduced - split into two loans to accommodate original borrower for refinance
- White Mountain Apache Housing Authority (CW-004-2018) - changed project scope, decreased amount requested

Fundable Range:

- Town of Camp Verde (CW-002-2018)
- Camp Verde Sanitary District (CW-005-2018)

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

DW PPL

Add:

- Rancheros Bonitos Water Company (DW-022-2018)

Change:

- White Mountain Apache Housing Authority (DW-020-2018) - changed project scope, decreased amount requested

6. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2018-010 and Due Diligence DW 019-2018 – Pine Strawberry Water Improvement District –DWRP - \$8,000,000 – *Dan Dialessi will lead the discussion*
7. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution Addendum A2018-009 – City of Douglas – Amend to increase loan amount by \$2,500,000 – *Dan Dialessi will lead the discussion*
8. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution Addendum A2018-008 – City of Prescott – Amend to increase loan term to 30 years – *Dan Dialessi will lead the discussion*
9. ***Adopt/Modify/Terminate Operating Policy:*** Recommend Modification of Loan Origination Policy #III.6 – Disadvantaged Community Designation – *Sara Konrad will lead the discussion*
10. ***Adopt/Modify/Terminate Operating Policy:*** Recommend Modification of Loan Origination Policy #III.7 – Capability Review and Financial Assistance Requirements for Governmental Entities – *Sara Konrad will lead the discussion*

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.

11. ***Adopt/Modify/Terminate Operating Procedure:*** Recommend Modification of Loan Origination Procedure #III.3.1 – Combined Interest and Fee Rate Setting – *Dan Dialessi will lead the discussion*
12. ***Review, Discuss & Possible Action:*** Recommend Approval for use of available cash on hand to provide for defeasance of prior bonds if financially advantageous to WIFA – *Bill Davis, Financial Advisor for WIFA will lead the discussion*

Update, Discussion or Presentation

None

Meeting Conclusion & Adjournment

13. New Business/Issues:

- Next Advisory Board Meeting Date – Wednesday, February 21, 2018 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

December 2017

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Requested / Probable Green Amount	Subsidy
1	¹ 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	¹ 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	^{1,3} Camp Verde, Town of	3,165	Yavapai	Wastewater Treatment Plant Improvements	The Town would like to make wastewater treatment plant improvements, including constructing a building to house filter and UV equipment and reconstructing the WWTP lagoon.	002 2018	\$3,000,000.00 / \$600,000.00	75%
4	^{2,3} Coolidge, City of	12,528	Pinal	Coolidge WWTP Solar Upgrades	The City is continuing the modernization efforts at their WWTP to eliminate energy inefficiencies and to provide a renewable energy source. The City intends to evaluate the WWTP for possible infrastructure upgrades to their pumps and blowers, determine if operational changes are necessary and provide a large scale solar array.	006 2018	\$1,500,000.00 / \$1,500,000.00	85%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Requested / Probable Green Amount	Subsidy
5	^{1,2} Camp Verde Sanitary District	3,165	Yavapai	Refinance RD Debt (associated with CW-002-2018)	The Sanitary District would like to refinance approximately \$2.8M in debt in association with the construction project described in CW-002-2018.	005 2018	\$2,797,000.00	75%
6	¹ White Mountain Apache Housing Authority	1,800	Navajo	Emergency Shelters Project (CBQ and McNary)	To address the need for emergency housing, construction of eight new emergency shelters is needed: four at the Cibeqe site and four at the McNary site. The proposed units will augment the existing low-income housing sites and will require expanded clean water systems necessary to provide waste water system services for tribal members.	004 2018	\$125,000.00	75%

Total: **\$17,750,400.00**

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

Project Priority List 2018 Funding Cycle

December 2017

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	^{1,4} 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	⁴ 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	^{1,3,4} 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	^{1, 2, 3} Rancheros Bonitos Water Company	144	Yuma	System Improvements	The Company will install three 10,000 gallon poly water tanks to replace the metal 15,000 gallon tank, a backup generator, and automated meter reading system with master well meter. The project will also include the replacement of a well pump and motor that is well beyond expected service life.	022 2018	\$98,842.82 / \$21,700.00	80%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
5	^{1,3} 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%
6	^{3,4} 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%
7	¹ 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%
8	^{1,4} 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 replacement of a leaking hydropneumatic tank to ensure adequate water supply for the community.	014 2018	\$402,423.00	75%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
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	^{1,4} 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	¹ White Mountain Apache Housing Authority	1,800	Navajo	Emergency Shelters Project (CBQ & McNary)	White Mountain Apache Housing Authority is proposing to build eight emergency housing units at the outlying tribal communities of Cibeqe, AZ and McNary, AZ which are in demand for low income tribal members. The emergency shelters will require connection to existing drinking water systems at these two sites.	020 2018	\$105,000.00	75%
12	^{1,4} 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%
13	^{1,3,4} 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
14	³ 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%
15	^{1,4} 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%

Total: **\$19,041,876.32**

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