

WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

WEDNESDAY, APRIL 18, 2018
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 February 21, 2018.*
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 Adoption of the CWRP Financial Assistance Project Priority List Funding Cycle 2018: *Sara Konrad will lead the discussion*

Add:

- Town of Marana (CW-008-2018)

Change:

- Inscription Canyon Ranch Sanitary District (CW-007-2018) – calculated rates based on ad valorem

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

Add:

- Marana Domestic Water Improvement District (DW-029-2018)
- Appaloosa Water Company (DW-028-2018)

Change:

- Rancheros Bonitos Water Company (DW-022-2018) – removed green points
- Payson Water Company, Inc (DW-026-2018) – removed green points, reduced project amount
- Q Mountain Vista Mobile Home Park (DW-003-2018) – adjusted rates and population
- Tonto Village Water Company, Inc. (DW-025-2018) – used MHI of Tonto Village CDP

6. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2018-015 and Due Diligence Summary DW 026-2018 – Payson Water Company, Inc. – DWRP – \$875,000 – *Angie Valenzuela will lead the discussion*

7. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2018-016 and Due Diligence Summary DW 003-2018 – Q Mountain Mobile Home Park – DWRP – \$576,776 – *Angie Valenzuela will lead the discussion*

8. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2018-017 and Due Diligence Summary DW 022-2018 – Rancheros Bonitos Water Company – DWRP – \$100,000 – *Angie Valenzuela will lead the discussion*

9. ***Adopt/Modify/Terminate Operating Policy:*** Recommend Modification of Operations Management Policy #I.7 – Employee Complaint Policy – *Sara Konrad will lead the discussion*

10. ***Review, Discuss & Possible Action:*** Recommend Approval of the FY2019 Technical Assistance Redesign – *Sara Konrad will lead the discussion*

11. ***Review, Discuss & Possible Action:*** Recommend Approval of the Water Loss Control Program – Phase II for FY2019– *Sara Konrad will lead the discussion*

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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

13. *Presentation:* WIFIA Overview and Update– *Dan Dialessi will lead the discussion*

Meeting Conclusion & Adjournment

14. New Business/Issues:

- Next Advisory Board Meeting Date – Wednesday, June 20, 2018 at 1:30PM in Phoenix, Arizona

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Arizona's Clean Water Revolving Fund

Project Priority List 2018 Funding Cycle

April 2018

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	^{2,3} Town of Marana	10,057	Pima	Adonis Sewer connection to Town of Marana Wastewater System	The Adonis neighborhood has a lagoon system which is over capacity, causing potential overflow issues. The Town of Marana will acquire funding for the maintenance and repair of the collection system within the Adonis neighborhood. The Town will also construct a new lift station for the neighborhood and transfer the flows away from the lagoons to be treated by the Marana wastewater system.	008 2018	\$1,481,990.00 / \$1,481,990.00	85%
2	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%
3	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%
4	^{1,3,4} 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	\$3,487,210.00 / \$600,000.00	75%

5	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 will evaluate the WWTP for possible infrastructure upgrades to 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%
6	^{1,4} 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	\$2,800,000.00	75%
7	^{1,4} White Mountain Apache Housing Authority	3,630	Navajo	Emergency Shelters Project (Cibecue and McNary)	White Mountain Apache Housing Authority is proposing to build eight emergency housing units at the outlying tribal communities of Cibecue, AZ and McNary, AZ. The emergency shelters will require connection to existing wastewater systems at these two sites.	004 2018	\$125,000.00	75%
8	Inscription Canyon Ranch Sanitary District	1,500	Yavapai	ICR Sanitary District Treatment Plant Improvements and Expansion	The plant is at 80% capacity and needs to be expanded. Project includes upgrades to portions of the existing plant, and an expansion of the plant capacity from approximately 65,000 gallons per day to 125,000 gallons per day.	007 2018	\$1,500,000.00	85%

Total:

\$21,222,600.00

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 Clean Water Revolving Fund
 2018 Funding Cycle - Fundable Range
 April 2018

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	4	Camp Verde, Town of	3,165	Yavapai	Wastewater Treatment Plant Improvements	002 2018	\$3,487,210.00	75%
2	6	Camp Verde Sanitary District	3,165	Yavapai	Refinance RD Debt (associated with CW-002-2018)	005 2018	\$2,800,000.00	75%
3	7	White Mountain Apache Housing Authority	3,630	Navajo	Emergency Shelters Project (Cibecue and McNary)	004 2018	\$125,000.00	75%

Total: **\$6,412,210.00**

Arizona's Drinking Water Revolving Fund
Project Priority List 2018 Funding Cycle
April 2018

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	^{1,3} Q Mountain Mobile Home Park	400	La Paz	Q Mountain Vista Water Pipeline Replacement and Upgrade	Q Mountain experiences high water loss. The distribution perimeter will be replaced with new 6-inch C900 PVC pipe, new service lines, and isolation valves and includes 7 stub outs for fire hydrants to be installed later.	003 2018	\$576,766.00 / \$576,766.00	70%
2	^{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 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%
3	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%
4	^{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.	006 2018	\$514,699.50 / \$378,459.40	80%
5	Sun Valley Farms Unit VI Water Company Inc.	400	Pinal	Nitrate compliance treatment plan	System is out of compliance with ADEQ and EPA with high nitrates in our public drinking water. Increasing the pumping capacity, pumping efficiency and the well output and storage will bring nitrate levels down to meet state and Federal guidelines.	023 2018	\$100,000.00	85%
6	^{1,3,4} Pine Strawberry Water Improvement District	8,000	Gila	PSWID CIP Program FY18 thru FY22	The District has as much as 30% lost and unaccounted for water from the system. There are 22 tanks in the system that will need 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%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested /Probable Green Amount	Subsidy
7	^{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 and 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%
8	^{2,3} Marana Domestic Water Improvement District	2,023	Pima	Marana Domestic Water Improvement District Water System Improvement Project	The District will install replacement piping, system valves and hydrants to improve its failing distribution system. The project will also include meter replacement, inspection and rehab of system wells, well site upgrades, an interconnection between its two systems, and construction of a utility operations building.	029 2018	\$8,773,000.00 / \$816,244.00	80%
9	^{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%
10	¹ Payson Water Company, Inc	1,215	Gila	Mesa Del Caballo - Cragin Pipeline Connection (Phase 2)	Connect to the Town of Payson's C.C. Cragin water treatment plant for necessary additional supply to supplement our well production. Absent that connection, Mesa del Caballo will not have access to the Town of Payson's water supply once the Cragin pipeline is completed.	026 2018	\$875,000.00	80%
11	Lyn-Lee Water Company	90	Pima	Water Storage	The system is in need of water storage and electrical updates to comply with ADEQ.	002 2018	\$40,000.00	85%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested /Probable Green Amount	Subsidy
12	^{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%
13	¹ Tonto Village Water Company, Inc.	185	Gila	System Improvements	Project will replace old service lines and meters.	025 2018	\$605,300.00	80%
14	¹ Rancheros Bonitos Water Company	144	Yuma	Rancheros Bonitos Water Co System Improvements	The Company will install a 50,000 gallon water tank to replace the metal 15,000 gallon tank, a backup generator, and 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	\$100,000.00	80%
15	^{1,4} White Mountain Apache Housing Authority	3,630	Navajo	Emergency Shelters Project (Cibecue & McNary)	The Authority plans to build eight emergency housing units in the outlying tribal communities of Cibecue and McNary. The emergency shelters will require connection to existing drinking water systems at these two sites.	020 2018	\$105,000.00	75%
16	^{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%
17	^{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
18	¹ Lazy C Water Service	400	Pima	Lazy C Water Well Transmission and Water Storage Upgrade	The project will consist of installing a direct connection from the primary well to the primary storage facility, constructing a direct connection from the supplemental City of Tucson connection to the primary storage facility, upgrading old pipes/valves, replacing a failing storage tank and replacing meters.	024 2018	\$229,712.00	80%
19	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%
20	^{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%
21	² Appaloosa Water Company	500	Yavapai	Water Supply and Pressure	replaced with two 20HP booster pumps and panels with variable drives. The 4 inch suction line will be replaced with a new 6 inch suction line. The 100HP fire pump panel will be replaced with a 100HP VFD panel and transducer. These equipment changes will provide needed drinking water at appropriate pressures.	028 2018	\$75,000.00	85%

Total:

\$28,677,811.50

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

2018 Funding Cycle - Fundable Range

April 2018

Fundable Range	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	1	Q Mountain Mobile Home Park	400	La Paz	Q Mountain Vista Water Pipeline Replacement and Upgrade	003 2018	\$576,766.00	70%
2	2	Navajo Tribal Utility Authority	1,747	Apache	Arizona Windsong Water System Infrastructure Improvements	007 2018	\$1,797,200.00	70%
3	3	Tierra Buena Water Company Inc.	320	Maricopa	Arsenic Remediation Project 3	008 2018	\$661,729.00	85%
4	4	Golden Shores Water Company	3,100	Mohave	Meter and Valve Replacement & Backup Generator	006 2018	\$514,699.50	80%
5	6	Pine Strawberry Water Improvement District	8,000	Gila	PSWID CIP Program FY18 thru FY22	019 2018	\$8,000,000.00	80%
6	7	Truxton Canyon Water Company	2,202	Mohave	Hualapai 1 Well Conversion	005 2018	\$347,557.00	80%
7	9	Cordes Lakes Water Co.	3,275	Yavapai	Cordes Lakes Water Supply and System Reliability Improvements	014 2018	\$402,423.00	75%
8	12	Cordes Lakes Water Co.	3,275	Yavapai	Design - Cordes Lakes Water Supply and System Reliability Improvements	018 2018	\$99,425.00	80%
9	14	Rancheros Bonitos Water Company	144	Yuma	Rancheros Bonitos Water Co System Improvements	022 2018	\$100,000.00	80%
10	15	White Mountain Apache Housing Authority	3,630	Navajo	Emergency Shelters Project (Cibecue & McNary)	020 2018	\$105,000.00	75%
11	16	Walden Meadows Community Co-Op	800	Yavapai	Pump Replacement	013 2018	\$40,000.00	80%
12	17	Pine Creek Canyon Domestic Water Improvement District	45	Gila	PRV and Isolation Valve Upgrade Project	012 2018	\$250,000.00	80%
13	20	Elfrida Water Improvement District	800	Cochise	Elfrida Water Critical Well Repair	010 2018	\$85,000.00	80%

Total:

\$12,979,799.50