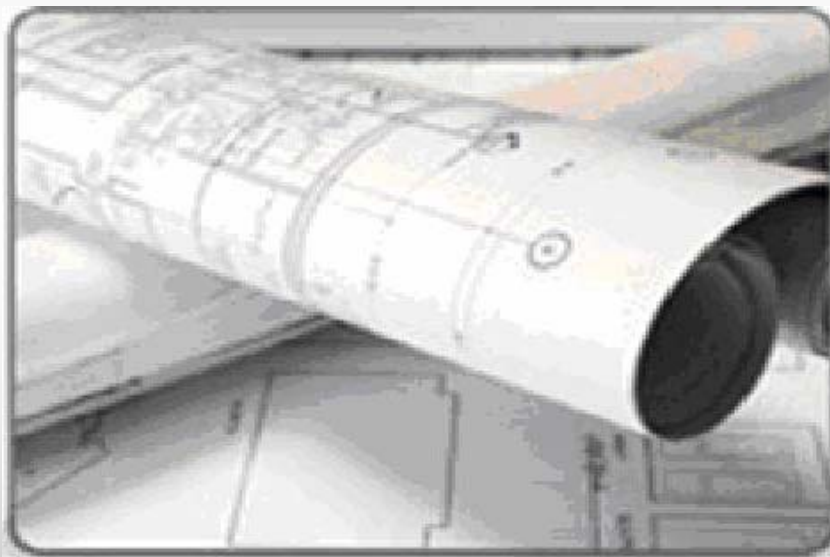


Water Infrastructure Finance Authority of Arizona

**TECHNICAL ASSISTANCE
INTENDED USE PLAN**

Funding Cycle 2008



Water Infrastructure
Finance Authority of Arizona

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Section 1: Introduction

The Water Infrastructure Finance Authority of Arizona (WIFA) is pleased to present the Technical Assistance (TA) Intended Use Plan (IUP) for Funding Cycle 2008. The TA IUP describes WIFA's plan to utilize various sources of funds to support three types of technical assistance during Technical Assistance Funding Cycle 2008:

- Project Technical Assistance – WIFA will assist an individual drinking water or wastewater system to conceive, plan, design, and develop infrastructure.
- Policy Technical Assistance – WIFA will develop and distribute guidance or perform related activities to benefit a wide range of drinking water and wastewater systems
- Operational Technical Assistance – The Arizona Department of Environmental Quality (ADEQ) will assist individual drinking water and wastewater systems to improve day-to-day operations.

Section 2: Funding Sources & Uses

WIFA intends to allocate \$1,370,000 to technical assistance during Technical Assistance Funding Cycle 2008. As shown in Table 1 below, WIFA intends to allocate \$500,000 for drinking water technical assistance and \$350,000 for clean water technical assistance.

Table 1: Funding Sources and Uses

	Clean Water Assistance	Drinking Water Assistance	Total
Funding Sources			
Capacity Development (10% PWSS)		\$75,000	\$75,000
Capacity Development (15% Local Assist)		\$650,000	\$650,000
Fees	\$635,000	\$10,000	\$645,000
Total Sources	\$635,000	\$735,000	\$1,370,000
Funding Uses			
Project Technical Assistance	\$350,000	\$500,000	\$850,000
Policy Technical Assistance			
Publications	\$10,000	\$10,000	\$20,000
Needs Survey	\$200,000		\$200,000
Operational Technical Assistance			
Border	\$75,000	\$75,000	\$150,000
ADEQ		\$150,000	\$150,000
Total Uses	\$635,000	\$735,000	\$1,370,000

WIFA will award **Project Technical Assistance** to individual drinking water and wastewater systems in accordance with criteria summarized in Section 3. During Funding Cycle 2008, WIFA intends to support a variety of **Policy Technical Assistance** studies, surveys, and related activities for the benefit of a wide range of water and wastewater systems as summarized in Section 4.

The ADEQ will use funds to provide **Operational Technical Assistance** to drinking water and wastewater systems. In addition, ADEQ will fund a Border Infrastructure Engineer with some Operational Technical Assistance funds. The Border Infrastructure Engineer will be available to provide value engineering services to WIFA projects as well as provide Arizona border communities with technical assistance and support to address water and wastewater infrastructure deficiencies. If the funding is not used for Operational Technical Assistance during the Funding Cycle, WIFA will reallocate the funding to Project or Policy Technical Assistance.

Section 3: Project Technical Assistance Awards

Eligible Systems

WIFA solicits Project Technical Assistance applications from Arizona's political subdivisions, public water systems and Indian communities as designated by the federal Clean Water and Drinking Water Acts. In accordance with criteria developed by stakeholders, WIFA awards Project Technical Assistance to individual drinking water and wastewater systems in accordance with the priority lists and fundable ranges described in this section and in the exhibits.

Project Technical Assistance Priority Scoring Criteria

WIFA ranks requests on the priority lists by priority score using the following formula:

$$\text{Priority Score} = \text{Existing Conditions} + \text{Project Benefits} + \text{Local Fiscal Capacity.}$$

Section 4: Policy Technical Assistance

During Funding Cycle 2008, WIFA intends to dedicate \$220,000 to fund the Policy Technical Assistance summarized below. Throughout the Funding Cycle and as circumstances require, WIFA may fund other Policy Technical Assistance projects or postpone action on the items summarized below. The Board will act to add or postpone Policy Technical Assistance at a Public Meeting of the Board.

❑ 2007 Water & Wastewater Residential Rate Survey

WIFA will use an outside contractor to help complete a significant update to our annual Water and Wastewater Residential Rate Survey. Year after year, this information proves invaluable to municipal water and wastewater and private water systems as they evaluate the need for increased investment in infrastructure and the need to adjust or modify their user rates. This will be the third update to the Survey.

❑ 2008 Clean Watershed Needs Survey

Every four years, the U.S. Environmental Protection Agency (EPA) is required to conduct a nationwide Clean Watershed Needs Survey (CWNS). WIFA will use outside contractors to help complete the data collection and submittal to EPA. This survey and the resulting Report to Congress will provide a comprehensive assessment of capital needs to meet water quality and water-related public health goals of the Clean Water Act.

**Priority Lists for
Clean Water Technical Assistance
2008 Funding Cycle**

Exhibit A
2008 Funding Cycle -- Priority List for Clean Water Project Technical Assistance
13-Nov-07

WIFA generates the Priority List to compare and prioritize applicant requests for assistance based on priority criteria approved by WIFA's Board of Directors.
To determine if an applicant will receive an award from WIFA, see Exhibit B.

Priority List Rank	Applicant	Project Title	Project #	Total Estimated Costs	Pre-Design or Design
1	Buckskin Sanitary District	South District Wastewater Treatment Plant, Preliminary Engineering Report	012 2008	\$370,000	P
2	Alpine DWID	Consolidation Feasibility Study	015 2008	\$47,000	P
3	Virgin River Domestic Wastewater Improvement District	Environmental Assessment Work	011 2008	\$70,000	P
4	Virgin River Domestic Wastewater Improvement District	Sewer Collection System and Treatment Plant Improvements	010 2008	\$65,000	P
5	Alpine Sanitary District	Alpine Environmental Impact Mitigation Master Planning Project	002 2008	\$46,700	P
6	Town of Hayden	Wastewater Treatment Plant System Evaluation	016 2008	\$43,750	P
7	McMullen Valley Water Conservation District	Wastewater Service Feasibility Study	005 2008	\$60,000	P
8	City of Somerton	Sanitary Sewer Model Calibration	001 2008	\$40,000	P
9	Town of Thatcher	Sanitary Collection System Expansion	007 2008	\$56,000	P
10	Santa Cruz County, Solid Waste Division	Santa Cruz County: Solid Waste Disposal Next Alternative	003 2008	\$89,500	P
11	Fawnbrook Domestic Wastewater Improvement District	Sewer Collection System Design Report	014 2008	\$140,000	D
12	Eloy, City of	Eloy Headworks Project	013 2008	\$370,000	D
13	Yuma County Improvement District #07-09, Avenue B&C Colonia	Avenue B&C Colonia Sanitary Sewer Project	009 2008	\$1,200,000	D
14	Town of Sahuarita	Wastewater Capacity Expansion - Planning & Design	004 2008	\$4,785,000	D
15	Mogollon Domestic Wastewater Improvement District	Sewer Collection System Design	008 2008	\$70,000	D
16	Town of Parker	Parker Annex Wastewater System	006 2008	\$90,000	P

Exhibit B
2008 Funding Cycle -- Fundable Range for Clean Water Project Technical Assistance
13-Nov-07

WIFA generates and periodically updates the Fundable Range from the Priority List -- See Exhibit A. The Fundable Range can change based on local readiness and willingness to proceed. Projects not appearing in the Fundable Range qualify for WIFA Loans.

To ensure commitment to a successful project, WIFA requires local match towards the total estimated project costs. Such local match can take the form of a short-term, low-interest rate loan from WIFA as part of a total package of assistance.

Fundable Range Rank	Applicant	Project #		Total Estimated Costs	Maximum WIFA Grant	Local Match or WIFA Loan
1	Buckskin Sanitary District	012	2008	\$370,000	\$35,000	\$335,000
2	Virgin River Domestic Wastewater Improvement District	010	2008	\$65,000	\$16,250	\$48,750
3	Alpine Sanitary District	002	2008	\$46,700	\$23,350	\$23,350
4	Town of Hayden	016	2008	\$43,750	\$14,775	\$28,976
5	McMullen Valley Water Conservation District	005	2008	\$60,000	\$15,000	\$45,000
6	City of Somerton	001	2008	\$40,000	\$20,000	\$20,000
7	Town of Thatcher	007	2008	\$56,000	\$14,000	\$42,000
8	Santa Cruz County, Solid Waste Division	003	2008	\$89,500	\$22,375	\$67,125
9	Fawnbrook Domestic Wastewater Improvement District	014	2008	\$140,000	\$25,000	\$115,000
10	Eloy, City of	013	2008	\$370,000	\$30,000	\$340,000
11	Yuma County Improvement District #07-09, Avenue B&C Colonia	009	2008	\$1,200,000	\$35,000	\$1,165,000
12	Town of Sahuarita	004	2008	\$4,785,000	\$35,000	\$4,750,000
13	Mogollon Domestic Wastewater Improvement District	008	2008	\$70,000	\$17,500	\$52,500
14	Town of Parker	006	2008	\$90,000	\$35,000	\$55,000

Exhibit C
Arizona's Clean Water Revolving Fund
2008 Funding Cycle -- Fundable Range for Clean Water Project Technical Assistance Loans
13-Nov-07

Rank	Applicant	Project Title	Project #	WIFA Loan Amount
1	Buckskin Sanitary District	South District Wastewater Treatment Plant, Preliminary Engineering	012 2008	\$ 335,000
2	Alpine DWID	Consolidation Feasibility Study	015 2008	\$ 35,250
3	Virgin River Domestic Wastewater Improvement District	Environmental Assessment Work	011 2008	\$ 70,000
4	Virgin River Domestic Wastewater Improvement District	Sewer Collection System and Treatment Plant Improvements	010 2008	\$ 48,750
5	Alpine Sanitary District	Alpine Environmental Impact Mitigation Master Planning Project	002 2008	\$ 23,350
6	Town of Hayden	Wastewater Treatment Plant System Evaluation	016 2008	\$ 32,813
7	McMullen Valley Water Conservation District	Wastewater Service Feasibility Study	005 2008	\$ 45,000
8	City of Somerton	Sanitary Sewer Model Calibration	001 2008	\$ 20,000
9	Town of Thatcher	Sanitary Collection System Expansion	007 2008	\$ 42,000
10	Santa Cruz County, Solid Waste Division	Santa Cruz County: Solid Waste Disposal Next Alternative	003 2008	\$ 67,125
11	Fawnbrook Domestic Wastewater Improvement District	Sewer Collection System Design Report	014 2008	\$ 115,000
12	Eloy, City of	Eloy Headworks Project	013 2008	\$ 340,000
13	Yuma County Improvement District #07-09, Avenue B&C Colonia	Avenue B&C Colonia Sanitary Sewer Project	009 2008	\$1,165,000
14	Town of Sahuarita	Wastewater Capacity Expansion - Planning & Design	004 2008	\$4,750,000
15	Mogollon Domestic Wastewater Improvement District	Sewer Collection System Design	008 2008	\$ 52,500
16	Town of Parker	Parker Annex Wastewater System	006 2008	\$ 55,000

**Priority Lists for
Drinking Water Technical Assistance
2008 Funding Cycle**

Exhibit D
2008 Funding Cycle -- Priority List for Drinking Water Project Technical Assistance
15-May-07

WIFA generates the Priority List to compare and prioritize applicant requests for assistance based on priority criteria approved by WIFA's Board of Directors. To determine if an applicant will receive an award from WIFA, see Exhibit E.

Priority List	Applicant	Project Title	Project #	Estimated Costs	Pre-Design or Design
1	Naco Water Company, LLC	Southern Upper San Pedro River Hydrogeologic Assessment	022 2008	\$80,000	P
2	Verde Lakes Water Corporation	District Formation and Unit 2 System Improvement	009 2008	\$50,000	P
3	Valle Verde Water Company	Valle Verde Water Company System Assessment	014 2008	\$34,000	P
4	Naco Water Company, LLC	Naco Water Company - Water Distribution Loss Reduction Project	023 2008	\$90,000	D
5	San Juan Southern Paiute Tribe	Hidden Springs Water System Improvements	030 2008	\$14,000	P
6	Cochise County	Cochise College Peak Area Water Systems	018 2008	\$25,000	P
7	Holiday Hills DWID	Holiday Hills Improvement	027 2008	\$47,000	P
8	Livco Water Co.	Current design and maintenance priority	007 2008	\$14,000	P
9	Aquila Water Services Inc.	Aquila Water Services - Service Area Expansion Pre-Design Project	024 2008	\$80,000	P
10	Hatch Valley Water Improvement District	6" Line Extension To Upper End of Truxton	031 2008	\$30,000	P
11	Mayer Domestic Water Improvement District	Mayer DWID System Survey & Mapping Project	021 2008	\$95,000	P
12	Town of Gila Bend	Drinking Water System Improvements - Planning and Design	012 2008	\$1,035,000	D
13	St David DWID	2007 Improvements Preliminary Engineering Report	010 2008	\$31,250	P
14	City of Douglas	Arsenic Mitigation Study	032 2008	\$50,000	P
15	Southern Sunrise Water Company	Southern Sunrise Water Company System Upgrades	017 2008	\$123,800	D
16	Northern Sunrise Water Company	Northern Sunrise Water Company System Upgrades	029 2008	\$123,800	D
17	Tierra Buena Water Company	Arsenic Facilities Study and Design	033 2008	\$47,000	P
18	So-Hi Domestic Water Improvement District	Supplemental Water Source Project	011 2008	\$50,000	D
19	GroomCreek Water Users Association	GroomCreek Upgrade Project	015 2008	\$70,000	P
20	Congress Domestic Water Improvement District	Designated Transmission Line	003 2008	\$35,000	P
21	Ashcreek Water Company	WIFA Improvement Project	026 2008	\$23,036	D
22	Tonto Hills Improvement Association	Tonto Hills Water Improvement District	013 2008	\$80,000	P
23	Oak Creek Utility Corp.	Oak Creek Utility Corp.	002 2008	\$15,000	D
24	AZ Friends Water & College Peak Water	District Formation Feasibility Study	005 2008	\$10,000	P
25	Marana Domestic Water Improvement District	Master Plan Development	025 2008	\$25,000	P
26	City of El Mirage	City of El Mirage Water System Electrical Optimization Project	016 2008	\$61,250	P
27	Pinedale Domestic Water Improvement District	Pinedale Water- Capacity and Usage	001 2008	\$15,000	P
28	Valley Utilities Water Company	Nitrate Treatment Study and Master Plan	028 2008	\$60,000	P
29	City of Flagstaff	Red Gap Ranch Pipe Line Alignment and Real Estate Acquisition Analysis	004 2008	\$102,000	P
30	Hualapai Tribal Nation	Feasability Study for New Water Source	019 2008	\$50,000	P
31	City of Winslow	Clear Creek Water Source and Treatment Study	020 2008	\$135,000	P
32	Mobile Gardens DWID	Capital Improvement Plan	006 2008	\$40,000	P
33	Town of Star Valley	Water Resource and Transmission Feasibility Study	008 2008	\$47,000	P

Exhibit E
2008 Funding Cycle -- Fundable Range for Drinking Water Project Technical Assistance
13-Nov-07

WIFA generates and periodically updates the Fundable Range from the Priority List -- See Exhibit D. The Fundable Range can change based on local readiness and willingness to proceed. Projects not appearing in the Fundable Range qualify for WIFA Loans.

To ensure commitment to a successful project, WIFA requires local match towards the total estimated project costs. Such local match can take the form of a short-term, low-interest rate loan from WIFA as part of a total package of assistance.

Fundable Range Rank	Applicant	Project #	Estimated Total Costs	Maximum WIFA Grant	Local Match or WIFA Loan
1	Naco Water Company, LLC	022 2008	\$80,000	\$35,000	\$45,000
2	Verde Lakes Water Corporation	009 2008	\$50,000	\$12,500	\$37,500
3	Valle Verde Water Company	014 2008	\$34,000	\$25,500	\$8,500
4	San Juan Southern Paiute Tribe	030 2008	\$14,000	\$10,000	\$4,000
5	Cochise County	018 2008	\$25,000	\$18,750	\$6,250
6	Holiday Hills DWID	027 2008	\$47,000	\$35,000	\$12,000
7	Livco Water Co.	007 2008	\$14,000	\$3,500	\$10,500
8	Hatch Valley Water Improvement District	031 2008	\$30,000	\$7,500	\$22,500
9	Mayer Domestic Water Improvement District	021 2008	\$95,000	\$35,000	\$60,000
10	Town of Gila Bend	012 2008	\$1,035,000	\$35,000	\$1,000,000
11	St David DWID	010 2008	\$31,250	\$15,625	\$15,625
12	City of Douglas	032 2008	\$50,000	\$20,000	\$30,000
13	Southern Sunrise Water Company	017 2008	\$123,800	\$15,000	\$108,800
14	Northern Sunrise Water Company	029 2008	\$123,800	\$25,000	\$98,800
15	Tierra Buena Water Company	033 2008	\$47,000	\$11,750	\$35,250
16	So-Hi Domestic Water Improvement District	011 2008	\$50,000	\$35,000	\$15,000
17	GroomCreek Water Users Association	015 2008	\$70,000	\$35,000	\$35,000
18	Congress Domestic Water Improvement District	003 2008	\$35,000	\$17,500	\$17,500
19	Ashcreek Water Company	026 2008	\$23,036	\$17,277	\$5,759
20	Tonto Hills Improvement Association	013 2008	\$80,000	\$10,000	\$70,000
21	Oak Creek Utility Corp.	002 2008	\$40,000	\$35,000	\$5,000
24	City of El Mirage	016 2008	\$61,250	\$30,000	\$31,250
25	Pinedale Domestic Water Improvement District	001 2008	\$15,000	\$4,375	\$10,625
26	Valley Utilities Water Company	028 2008	\$60,000	\$10,723	\$49,277

Exhibit F
Arizona's Drinking Water Revolving Fund
2008 Funding Cycle -- Fundable Range for Drinking Water Project Technical Assistance Loans
15-May-07

Rank	Applicant	Project Title	Project #	WIFA Loan Amount
1	Naco Water Company, LLC	Southern Upper San Pedro River Hydrogeologic Assessment	022 2008	\$45,000
2	Verde Lakes Water Corporation	District Formation and Unit 2 System Improvement	009 2008	\$37,500
3	Valle Verde Water Company	Valle Verde Water Company System Assessment	014 2008	\$8,500
4	Naco Water Company, LLC	Naco Water Company - Water Distribution Loss Reduction Project	023 2008	\$90,000
5	San Juan Southern Paiute Tribe	Hidden Springs Water System Improvements	030 2008	\$4,750
6	Cochise County	Cochise College Peak Area Water Systems	018 2008	\$12,500
7	Holiday Hills DWID	Holiday Hills Improvement	027 2008	\$12,000
8	Livco Water Co.	Current design and maintenance priority	007 2008	\$10,500
9	Aquila Water Services Inc.	Aquila Water Services - Service Area Expansion Pre-Design Project	024 2008	\$80,000
10	Hatch Valley Water Improvement District	6" Line Extension To Upper End of Truxton	031 2008	\$7,500
11	Mayer Domestic Water Improvement District	Mayer DWID System Survey & Mapping Project	021 2008	\$60,000
12	Town of Gila Bend	Drinking Water System Improvements - Planning and Design	012 2008	\$1,000,000
13	St David DWID	2007 Improvements Preliminary Engineering Report	010 2008	\$15,625
14	City of Douglas	Arsenic Mitigation Study	032 2008	\$15,000
15	Southern Sunrise Water Company	Southern Sunrise Water Company System Upgrades	017 2008	\$108,800
16	Northern Sunrise Water Company	Northern Sunrise Water Company System Upgrades	029 2008	\$98,800
17	Tierra Buena Water Company	Arsenic Facilities Study and Design	033 2008	\$35,250
18	So-Hi Domestic Water Improvement District	Supplemental Water Source Project	011 2008	\$15,000
19	GroomCreek Water Users Association	GroomCreek Upgrade Project	015 2008	\$35,000
20	Congress Domestic Water Improvement District	Designated Transmission Line	003 2008	\$17,500
21	Ashcreek Water Company	WIFA Improvement Project	026 2008	\$5,759
22	Tonto Hills Improvement Association	Tonto Hills Water Improvement District	013 2008	\$70,000
23	Oak Creek Utility Corp.	Oak Creek Utility Corp.	002 2008	\$11,250
24	Marana Domestic Water Improvement District	Master Plan Development	025 2008	\$25,000
25	City of El Mirage	City of El Mirage Water System Electrical Optimization Project	016 2008	\$61,250
26	Pinedale Domestic Water Improvement District	Pinedale Water- Capacity and Usage	001 2008	\$15,000
27	Valley Utilities Water Company	Nitrate Treatment Study and Master Plan	028 2008	\$60,000
28	City of Flagstaff	Red Gap Ranch Pipe Line Alignment and Real Estate Acquisition Analysis	004 2008	\$102,000
29	Hualapai Tribal Nation	Feasibility Study for New Water Source	019 2008	\$50,000
30	City of Winslow	Clear Creek Water Source and Treatment Study	020 2008	\$135,000
31	Mobile Gardens DWID	Capital Improvement Plan	006 2008	\$40,000
32	Town of Star Valley	Water Resource and Transmission Feasibility Study	008 2008	\$47,000

Grant recipients may use a WIFA loan for the minimum local match requirement.

Exhibit G
2008 Funding Cycle – Public Review and Comment
December 17, 2007

The public comment period was conducted from Tuesday, November 13, 2007 thru Thursday, December 13, 2007 at 5 pm. The public review and written comment period was advertised November 16, 19 and 20th in Arizona's three major newspapers.

A public hearing will be conducted in Phoenix on Friday, December 14th, 2007 at the Arizona Department of Environmental Quality-1110 W. Washington St. Room 130, Phoenix, AZ 85007 from 1:00 p.m. to 2:00 p.m.

The WIFA Board of Directors will adopt the Final TA IUP and PLs on December 17, 2007 at WIFA's bi-monthly board meeting. The IUP and PLs will become effective on December 17, 2008.

Any public comment should be directed to the Communications Director, Veronica Rivera who may be reached by phone: (602) 364-1236 or e-mail: vrivera@azwifa.gov.