



NEWS RELEASE

WATER INFRASTRUCTURE FINANCE AUTHORITY

Arizona's water and wastewater funding source

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WIFA Announces \$16 Million Loan Closing for Town of Queen Creek

PHOENIX (November 13, 2013) – The Town of Queen Creek is establishing its presence as a regional water provider and saving residents money. The Water Infrastructure Finance Authority (WIFA) of Arizona announced today that it has closed a \$16 million loan as part of a \$44 million transaction for the Town of Queen Creek to acquire H2O, Inc., a water utility located adjacent to the Town's municipal water service area.

The owners of H2O, Inc. were happy to hand over the day-to-day responsibilities of owning and operating a water utility and the Town welcomed the opportunity to expand their service. Best of all, combining the two systems will eliminate the need for the Town of Queen Creek to construct \$12 million worth of capital improvements, a cost savings that comes with wide local support.

“When done correctly and with public support, consolidation of water services makes sense and can be an effective management option for small water providers. Consolidated operations and management and a larger customer base saves on costs and brings in more revenue to maintain water infrastructure, ultimately benefiting the rate payers,” said WIFA Executive Director, Sandy Sutton.

A special election in Queen Creek was held on May 21, 2013, to allow qualified electors to approve the acquisition of H2O, Inc. The acquisition was approved by 87% of the ballots cast. The sale was then approved by the Arizona Corporation Commission on September 23, 2013. According to Town officials, the transition will not affect the quality of water service, and the monthly rate for the majority of customers will remain unchanged.

“By providing funding for acquisitions like this one, WIFA is able to help ensure that public and private drinking water utilities can meet the long-term needs of their customers,” said WIFA Board Chairman Henry Darwin, who is also Director of the Arizona Department of Environmental Quality.

WIFA funds a wide variety of drinking water, wastewater and water reclamation projects. Green projects, or projects for sustainable construction efforts such as water efficiency, energy efficiency, green stormwater infrastructure or other environmentally innovative activities, are encouraged. WIFA also offers funding for projects like nonpoint source pollution control, watershed protection and restoration, and traditional stormwater management.

Through low-interest loans, subsidies and grants, WIFA is able to save its customers a significant amount of money. WIFA offers funding for drinking water, wastewater and stormwater projects designed to ensure safe, reliable drinking water and proper wastewater

treatment. Since its inception in 1992, WIFA has invested over \$2 billion in Arizona's communities.

For more information, please visit WIFA's website at azwifa.gov.

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