

WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

WEDNESDAY, JUNE 21, 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 April 12, 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.

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.

Consent Agenda

None

New Agenda Items for Consideration and Action

4. **Review, Discuss & Approve:** Recommend Approval of FY2018 WIFA Operating Budget Report: *Mike Clark will lead the discussion*
5. **Review, Discuss & Possible Action:** Recommend Approval of the DWRF Financial Assistance Project Priority List Funding Cycle 2017: *Sara Konrad will lead the discussion*

DW PPL

Change:

- Q Mountain Mobile Home Park (DW-010-2017) median house income decreased
- Truxton Canyon Water Company (DW-012-2017) number of connections, amount requested and median household income increased
- Tierra Buena Water Company (DW-008-2017) amount requested increased

DW FR

Add:

- Truxton Canyon Water Company (DW-012-2017)
- Navajo Tribal Utility Authority (DW-005-2017)

6. **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:

- Elfrida Improvement District (DW-010-2018)
- Pine Creek Canyon Domestic Water Improvement District (DW-012-2018)

Remove:

- Montezuma Rimrock Water Company (DW-001-2018)
- City of Globe (DW-004-2018)
- Town of Kearny (DW-009-2018)

Change:

- Truxton Canyon Water Company (DW-005-2018) number of connections, amount requested and median household income increased

7. **Review, Discuss & Possible Action:** Recommend Approval of Loan Resolution 2017-021 and Due Diligence Summary DW 001-2017 – Golden Shores Water Company – DWRF – \$514,700 – *Sara Konrad will lead the discussion*
8. **Review, Discuss & Possible Action:** Recommend Approval of Loan Resolution 2017-022 and Due Diligence Summary DW 012-2017 – Truxton Canyon Water Company – DWRF – \$347,577 – *Sara Konrad will lead the discussion*

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9. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2017-023 and Due Diligence Summary DW 008-2017 – Tierra Buena Water Company – DWRF – \$661,217 – *Sara Konrad will lead the discussion*
10. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution Addendum A2017-024 – City of Prescott – Request to Extend Loan Resolution 2017-001 – *Sara Konrad will lead the discussion*
11. ***Review, Discuss & Adopt:*** Discuss Committee Assignments and Vote for Chair and Vice Chair on Fiscal and Project Finance Committees for State Fiscal Year 2018
12. ***Review, Discuss & Adopt:*** Elect Vice-Chair & Adopt Executive Committee for State Fiscal Year 2018

Update, Discussion or Presentation

None

Meeting Conclusion & Adjournment

13. New Business/Issues:

- Next Board Meeting Date – Wednesday, August 16, 2017 at 1:30PM in Phoenix, Arizona

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WIFA's Vision

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Arizona's Drinking Water Revolving Fund
 2017 Funding Cycle - Fundable Range
 June 2017

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	1	Tierra Buena Water Company Inc.	320	Maricopa	Arsenic Remediation Project 3	008 2017	\$656,662.00	80%
2	2	Golden Shores Water Company	3,100	Mohave	Meter and Valve Replacement & Backup Generator	001 2017	\$514,700.00	80%
3	4	Truxton Canyon Water Company	2,202	Mohave	Hualapai 1 Well Conversion	012 2017	\$347,557.00	80%
4	6	Globe, City of	7,495	Gila	2017 Water System Improvements	015 2017	\$3,000,000.00	80%
5	8	Navajo Tribal Utility Authority	1,747	Apache	Arizona Windsong Water System Infrastructure Improvements	005 2017	\$1,797,200.00	75%
6	9	Payson, Town of	16,087	Gila	CC Cragin Water Supply Project	014 2017	\$11,000,000.00	80%
7	10	Ash Fork Development Association Inc. dba: Ash Fork Water Service	2,150	Yavapai	Arsenic Treatment AF #2	007 2017	\$150,000.00	75%
8	11	Montezuma Rimrock Water Company LLC	450	Yavapai	Storage Tank Replacement	002 2017	\$108,000.00	80%
9	12	Eagletail Water Company, LLC	96	Maricopa	Storage Tank Replacement	006 2017	\$174,450.00	80%
10	14	Peoria, City of	162,000	Maricopa	Pyramid Peak WTP Expansion	004 2017	\$49,013,733.00	90%

Total:

\$66,762,302.00

Arizona's Drinking Water Revolving Fund
 Project Priority List 2017 Funding Cycle
 June 2017

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	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 2017	\$656,662.00	80%
2	^{1,3} 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.	001 2017	\$514,700 / \$378,459.40	80%
3	^{1,3} Ponderosa Park Domestic Water Improvement District	600	Yavapai	Smart Meter Installation	The District maintains numerous water meters that are in difficult to reach and remote places and proposes to replace them with remote read meters.	003 2017	\$116,000.00 / \$116,000.00	80%
4	³ Truxton Canyon Water Company	2,202	Mohave	Hualapai 1 Well Conversion	The Hualapai 1 well has 2 natural gas engines that are 52 years old that need replacement. Replace the two existing engines with a single electric motor. Equip the well to adapt to the new electric motor. Run electrical service to the well from the main electrical transmission line	012 2017	\$347,557.00 / \$289,123.00	80%
5	Lyn-Lee Water Company	90	Pima	Water Storage	The system is in need of water storage and electrical updates to comply with PDEQ standards.	009 2017	\$40,000.00	85%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
6	^{1,3,4} Globe, City of	7,495	Gila	2017 Water System Improvements	The City is requesting \$3,000,000 to finance multiple projects: improve/stabilize pressure zones and replace high priority lines to ensure dependable access and minimum pressure; improve metering and leak detection throughout the system.	015 2017	\$3,000,000.00 / \$325,450.00	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.	010 2017	\$1,600,000.00	75%
8	¹ 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 is going to be/has been acquired by NTUA. This project proposes to install an interconnect, replace distribution lines and meters.	005 2017	\$1,797,200.00	75%
9	^{1,4} Payson, Town of	16,087	Gila	CC Cragin Water Supply Project	This project is a continuation of previous WIFA loans. Initial project funding provided by WIFA has resulted in substantial engineering, design and initial construction projects either underway or completed. This request is expected to provide the necessary funding to complete the project.	014 2017	\$11,000,000.00	80%
10	^{1,4} Ash Fork Development Association Inc. dba: Ash Fork Water Service	2,150	Yavapai	Arsenic Treatment AF #2	The Company's Well #2 exceeds the allowable MCL for arsenic. This project proposes to install a centralized arsenic treatment plant to treat the water to an acceptable level.	007 2017	\$150,000.00	75%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
11	¹ Montezuma Rimrock Water Company LLC	450	Yavapai	Storage Tank Replacement	Fix-it-first: The two existing 10,000 gallon storage tanks leak profusely, have been repaired numerous times and are beyond repair. In order to meet customer demand, two 40,000 gallon storage tanks must be constructed.	002 2017	\$108,000.00	80%
12	^{1,4} Eagletail Water Company, LLC	96	Maricopa	Storage Tank Replacement	The existing 500,000 gallon steel storage tank is over 40 years old and is leaking from the bottom. This project will install a new 250,000 gallon water tank.	006 2017	\$174,450.00	80%
13	Kearny, Town of	1,950	Pinal	Town of Kearny Drinking Water System Well 3 Rehabilitation	The Town is in need of an additional water supply to serve as a reliable backup supply. Well #3, which is currently offline, will be rehabilitated by cleaning the well casing, replacing piping, installing a new in-line turbine pump and electrical controls.	013 2017	\$250,000.00	85%
14	⁴ Peoria, City of	162,000	Maricopa	Pyramid Peak WTP Expansion	The City of Peoria currently reaches its 11MGD capacity requirements during peak water use months. The City has concluded an agreement with the City of Glendale to fund a 13MGD expansion of the Pyramid Peak WTP (shared by both cities) on the existing plant site for completion by the end of FY2019.	004 2017	\$49,013,733.00	90%

Total: **\$68,768,302.00**

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
 Project Priority List 2017 Funding Cycle
 June 2017

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	⁴ Prescott, City of	35,752	Yavapai	Wastewater System Centralization Project Phase 1	This loan will consist of three projects. The Sundog Force Main and Lift Station project will construct a lift station and force main at the Sundog WWTP to move flows and process solids to the Airport WRF. The Sundog Trunk Main project includes 28,000 LF of deteriorated and undersized sewer trunk main up to 24" with new mains up to 36". The Airport Trunk Main Sewer Improvement project is for the sewer line upsize improvement to achieve the single WWTP centralization.	001 2017	\$21,600,000.00	80%
2	¹ Tri-city Regional Sanitary District	4,014	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.	003 2017	\$6,928,400.00	70%
3	^{1,4} Chino Valley, Town of	5,100	Yavapai	Center Street Sewer from Highway 89 to Molly Rae - Continuation Loan	This project will construct approximately one mile of sewer line from an existing trunk line to a subdivision and result in all future construction within the subdivision be tied into the Town's sewer system.	006 2017	\$640,000.00	80%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
4	⁴ Wickenburg, Town of	6,363	Maricopa	Mariposa Drive and Kerkes/Hassayampa School Stormwater Drainage Improvements	Mariposa Drive - On July 18, 2015 the Town experienced an extreme storm event. Culverts and roadway embankment were undermined along with significant erosion of the downstream channel. The culverts and embankment will be reconstructed and new head and wing walls will be installed, and erosion protection will be installed. Kerkes/Hassayampa School Drainage - This area has experienced repeated damage from stromwater causing erosion damage and heavy metal and oil transport to the Hassayampa River. This project will incorporate approximately 250 LF of vegetated swale to allow for stormwater infiltration and to reduce erosion.	002 2017	\$1,000,000.00	85%

Total:

\$30,168,400.00

Legend:

¹ Eligible for disadvantaged community designation

² New project on PPL

³ Eligible for Green Project Reserve

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Arizona's Clean Water Revolving Fund

2017 Funding Cycle - Fundable Range

June 2017

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	1	Prescott, City of	35,752	Yavapai	Wastewater System Centralization Project Phase 1	001 2017	\$21,600,000.00	80%
2	3	Chino Valley, Town of	5,100	Yavapai	Center Street Sewer from Highway 89 to Molly Rae - Continuation Loan	006 2017	\$640,000.00	80%
3	4	Wickenburg, Town of	6,363	Maricopa	Mariposa Drive and Kerkes/Hassayampa School Stormwater Drainage Improvements	002 2017	\$1,000,000.00	85%

Total:

\$23,240,000.00

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

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	1	Tierra Buena Water Company Inc.	320	Maricopa	Arsenic Remediation Project 3	008 2018	\$661,729.00	85%
2	2	Golden Shores Water Company	3,100	Mohave	Meter and Valve Replacement & Backup Generator	006 2018	\$514,700.00	80%
3	3	Truxton Canyon Water Company	2,202	Mohave	Hualapai 1 Well Conversion	005 2018	\$347,557.00	80%
4	5	Navajo Tribal Utility Authority	1,747	Apache	Arizona Windsong Water System Infrastructure Improvements	007 2018	\$1,797,200.00	75%
5	7	Pine Creek Canyon Domestic Water Improvement District	45	Gila	PRV and Isolation Valve Upgrade Project	012 2018	\$250,000.00	80%
6	8	Elfrida Water Improvement District	800	Cochise	Elfrida Water Critical Well Repair	010 2018	\$85,000.00	80%

Total: **\$3,656,186.00**

Arizona's Drinking Water Revolving Fund
 Project Priority List 2018 Funding Cycle
 FY2018 IUP - Revised

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	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%
2	^{1,3} 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	\$514,700 / \$378,459.40	80%
3	³ Truxton Canyon Water Company	2,202	Mohave	Hualapai 1 Well Conversion	The Hualapai 1 well has 2 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%
4	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 including 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%
5	¹ 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, replace distribution lines and meters.	007 2018	\$1,797,200.00	75%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
6	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%
7	^{1,2,3} Pine Creek Canyon Domestic Water Improvement District	45	Gila	PRV and Isolation Valve Upgrade Project	The system's 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. Eighteen isolation valves need to be replaced.	012 2018	\$250,000.00 / \$100,000.00	80%
8	^{1,2} 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. Another well has been in active and is outdated. It requires an updated pressure tank, updated fuse box, starting box, and a three phase generator to be put back into service.	010 2018	\$85,000.00	80%

Total:

\$5,296,186.00

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

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
NO SYSTEMS ARE READY TO PROCEED								

Total:

\$0.00

Arizona's Clean Water Revolving Fund
 Project Priority List 2018 Funding Cycle
 June 2018 final IUP

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount 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 Camp Verde, Town of	3,165	Yavapai	Sewer Expansion	The Town would like to refinance approximately \$2.8M in debt, and expand sewer collection lines to unserved residential and commercial areas and make wastewater treatment plant improvements.	002 2018	\$3,360,000.00	70%

Total: **\$10,288,400.00**

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