

WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

WEDNESDAY, AUGUST 15, 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 June 20, 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 CWRF Financial Assistance Project Priority List Funding Cycle 2019: *Sara Konrad will lead the discussion*

Add:

- Kachina Village Improvement District (CW 009-2019)

Change:

- Tri-city Regional Sanitary District (CW 002-2019) - increased requested amount
- City of Safford (CW 005-2019) - decreased requested amount

Withdrawn:

- Town of Marana (CW 001-2019)
- Inscription Canyon Ranch Sanitary District (CW 006-2019)
- Town of Quartzsite (CW 003-2019)
- City of Coolidge (CW 004-2019)

Fundable Range:

- City of Winslow (CW 007-2019)

5. ***Review, Discuss & Possible Action:*** Recommend Adoption of the DWRF Financial Assistance Project Priority List Funding Cycle 2019: *Sara Konrad will lead the discussion*

Add:

- Town of Wellton (DW 017-2019)
- Monte Vista Water Company (DW 011-2019)
- Pinetop Community Facilities District (DW 013-2019)

Change:

- City of Williams (DW 010-2019) – decreased requested amount, revised to a design loan
- Lazy C Water Service (DW 006-2019) - increased rates, increased MHI (reduced LFC score)

Withdrawn:

- Adaman Mutual Water Company (DW 001-2019)
- Sun Valley Farms Unit VI Water Company Inc. (DW 002-2019)
- Marana Domestic Water Improvement District (DW 003-2019)

6. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2019-001 and Due Diligence Summary DW 009-2019 – City of Safford – DWRF – \$5,000,000– *Sara Konrad will lead the discussion*

7. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2019-002 and Due Diligence Summary CW 007-2019 – City of Winslow – CWRF – \$5,100,000– *Sara Konrad will lead the discussion*

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8. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution 2019-003 and Due Diligence Summary DW 006-2019 – Box 1 Inc. DBA Lazy C Water Service – DWRF – \$229,712– *Sara Konrad will lead the discussion*
9. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution Addendum A2019-004 – White Mountain Apache Housing Authority – CWRF – Amend to expand the underlying security options for the loan – *Angie Valenzuela will lead the discussion*
10. ***Review, Discuss & Possible Action:*** Recommend Approval of Loan Resolution Addendum A2019-005 – White Mountain Apache Housing Authority – DWRF – Amend to expand the underlying security options for the loan – *Angie Valenzuela will lead the discussion*
11. ***Adopt/Modify/Terminate Operating Policy:*** Recommend Adoption of Updated Loan Origination Policy #III.2 – Annual Loan Review – *Dan Dialessi will lead the discussion*
12. ***Review & Discuss & Possible Action:*** Recommend Approval of use of available cash on hand to provide for redemption of outstanding Bond Series 2008 (2019-2020 maturities) if financially advantageous to WIFA – *Bill Davis, Financial Advisor will lead the discussion*

Update, Discussion or Presentation

None

Meeting Conclusion & Adjournment

13. New Business/Issues:

- Next Advisory Board Meeting Date – Wednesday, October 17, 2018 at 1:30PM in Phoenix, Arizona

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Arizona's Clean Water Revolving Fund

Project Priority List 2019 Funding Cycle

August 2018

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.	002 2019	\$12,000,000.00	70%
2	^{1,3} Safford, City of	9,566	Graham	Reclaimed Water Pipeline Project - Graham County Fairgrounds	The project proposes to capture 130.5 million gallons of Class A Plus reclaimed water that is currently not being utilized. The reclaimed water will replace potable water used at city properties and recreational facilities for outdoor water use.	005 2019	\$3,500,000.00 / \$3,500,000.00	85%
3	^{1,3} Winslow, City of	9,655	Navajo	Winslow Waste Water Treatment Upgrades FY19	The main sewer line needs to be realigned to remove it from underneath several residential structures in the city. The UV disinfection system and other systems and equipment are now past their useful life. Replacement of the equipment that is beyond its useful life will improve performance, efficiency and dependability, while reducing maintenance costs associated with old equipment.	007 2019	\$5,100,000.00 / \$575,000.00	80%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
4	² Kachina Village Improvement District	2,800	Coconino	Second Clarifier Installation	KVID's WWTP has only a single, aging secondary clarifier. It is not possible to take it offline to refurbish or replace it. KVID would construct a new clarifier to run in parallel with the existing clarifier. It would be located in the area currently used for sludge storage and processing. KVID would also construct a new aerobic sludge digester for sludge storage.	009 2019	\$807,000.00	85%

Total: **\$21,407,000.00**

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
 2019 Funding Cycle - Fundable Range
 August 2018

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	3	Winslow, City of	9,655	Navajo	Winslow Waste Water Treatment Upgrades FY19	007 2019	\$5,100,000.00	80%

Total: **\$5,100,000.00**

Arizona's Drinking Water Revolving Fund

Project Priority List 2019 Funding Cycle

August 2018

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
1	^{1,2} Wellton, Town of	2,882	Yuma	Town of Wellton Public Water System Improvements	ADEQ has issued the Town a Consent Order for ongoing high levels of Total Trihalomethanes (TTHM). The Town proposes to solve the problem by abandoning the 24-inch and replacing it with an 8-inch line and looping across the Interstate.	017 2019	\$400,000.00	85%
2	Lyn-Lee Water Company	90	Pima	Water Storage	The system is in need of water storage and electrical updates to comply with ADEQ.	004 2019	\$40,000.00	85%
3	¹ Williams, City of	3,256	Coconino	Dogtown Transmission Lines Replacement Design	The City needs to replace eight miles of 70 year old pipeline with a dual line to separate raw lake water from the well water to greatly reduce water loss and increase treatment efficiency. This application is for the design of this new transmission line(s) and the USFS environmental review process.	010 2019	\$3,000,000.00	80%
4	¹ Tonto Village Water Company, Inc.	185	Gila	System Improvements	Project will replace old service lines and meters.	005 2019	\$618,377.00	80%
5	^{1,2} Monte Vista Water Company	58	Cochise	System Improvements	The system's pressure tank has begun leaking and it is feared it will fail. Monte Vista would like to replace a pressure tank with booster pumps, add one 10,000 gallon storage tank and bring the electrical system up to code.	011 2019	\$159,991.28	80%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
6	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.	007 2019	\$5,000,000.00 / \$5,000,000.00	85%
7	Appaloosa Water	500	Yavapai	Water Supply and Pressure	Two 10HP booster pumps and panels will be 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.	008 2019	\$75,000.00	85%
8	² Pinetop Water CFD	3,300	Navajo	Well # 10	Well #8 is no longer producing the GPM needed to supply the system. The proposed project would drill another well to produce the GPM needed to supply the system.	013 2019	\$1,000,000.00	85%
9	Lazy C Water Service	400	Pima	Well, Supply Line and Water Storage Upgrade	The project will consist of installing a direct connection from the primary well to the primary storage facility, replacing a failing storage tank and replacing meters.	006 2019	\$229,712.00	90%

PPL Rank	Applicant	Population	County	Project Name	Description	Project Number	Amount Requested / Probable Green Amount	Subsidy
10	¹ Safford, City of	18,900	Graham	Water Infrastructure Improvements	The City has identified 58 miles of the water delivery system that is outdated and failing. The City is requesting loan funding for Capital Improvement Projects planned for FY2018 to design and construction of water renewal and upgrade projects. The proposed projects include realignment/relocation of existing mains, upgrades, and well building rehabilitation.	009 2019	\$5,000,000.00	85%

Total:

\$15,523,080.28

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

2019 Funding Cycle - Fundable Range

August 2018

Fundable Range Rank	PPL Rank	Applicant	Population	County	Project Name	Project Number	Amount Requested	Subsidy
1	3	Williams, City of	3,256	Coconino	Dogtown Transmission Lines Replacement Design	010 2019	\$3,000,000.00	80%
2	5	Monte Vista Water Company	58	Cochise	System Improvements	011 2019	\$159,991.28	80%
3	9	Lazy C Water Service	400	Pima	Well, Supply Line and Water Storage Upgrade	006 2019	\$229,712.00	90%
4	10	Safford, City of	18,900	Graham	Water Infrastructure Improvements	009 2019	\$5,000,000.00	85%

Total:

\$8,389,703.28